

The same of the

the ingle Brank are the

September 1

to the second

The same of the sa Carlo ...

-

THE REAL PROPERTY.

Action in

2009 - → → 12 . .

The same of

Marian .

WAY THE

4 is 42 in

At the contract of the contrac

SECTION AND ADDRESS.

Market Commence

And in the second

編集 元 34.0.

154 ## 15 3 5 1

36.78 15 75 11

B. 45%

強機をかった こっと

- Aug 1 - 1

金钟 经汇款 一

李輝 五二・ルニュー

STATE OF STREET

美海 歌歌

The second second

the state of the state of

नैविक्तान देखारे जाता है।

國 等等为(1) (1)

Jegen er

arti

Bearing . See The Service

Wednesday May

FINANCIAL TIMES



Mob governance

Corporate extortion thrives in Japan



Resignations rock the stock exchange



Cloudy skies

Turbulent times for Malaysian Airlines

World Business Newspaper http://www.FT.com

THURSDAY MARCH 13 1997

Hoechst shares fall as it scraps drugs listing plan

Hoechst, the world's largest drugs and chemicals group, saw its shares fall by 10 per cent after revealing that it had abandoned plans to seek a separate stock market listing for its pharmaceuticals business. It also unveiled results for the fourth quarter of 1996 that were below the market's expectations. Page 17; Lex, Page 16; World stocks, Page 36

Japanese group gets tough on corruption

The Keidanren, Japan's influential economic federation, promised a crackdown against corporate corruption and said companies found to have violated a charter of good corporate behavlour will be suspended. It was reacting to last week's admission by Nomura Securities, Japan's top stockbroker, that it had made "apparently irregular payments" to a property company run by the brother of an underworld figure. Page 6; Recent cases of Japanese corporate extortion may signal greater openness, Page 15

Caution on Russian bond Issue: European bond traders expressed reservations about the timing of today's debut Russian D-mark bond issue which they say coincides with the rockiest period so far this year for emerging market debt. Page 17; Capital markets, Page 24

US floods blamed on global warming: The US storms and floods which have killed about 50 people and caused up to \$1bn in property damage over the past two weeks represent an increase in extreme weather events to be expected from global warming, a US climate scientist said. Page 16

Treason charge for exiled Nigerian



Nigeria has brought a charge of treason against exiled writer Wole Soyinka (left). His family said the charge, which carries the death penalty, came after the Nobel prize-winning author, who lives in New York, said he would sue Nigarian military leader Sani Abacha for calling him

a terrorist. Abacha's regime executed the dissident playwright Ken Saro-Wiwa in 1995.

Rumours strain US-China tios: Allegations that Beijing attempted to funnel illegal campaign contributions to US political parties and candidates have added to a growing sense of unease in Washington over US-China policy. China's foreign ministry has called in the US charge d'affaires to complain about "malicious fabrications" in the US press. Page 5

Swiss Bank Corporation, Switzerland's third-largest financial group, increased its operating income in 1996 by 21 per cent to SFr10.75bn (\$7.3bn), helped by strong growth in fees, commissions and trading income, as the group took advantage of buoyant financial markets. Page 17; SBC embarrassment, Page 19; Results, Page 19

Coke officials charged: Two executives at Coca-Cola's largest bottler in Atlanta, Georgia, were indicted on charges that they tried to undermine a union organising effort by bribing an employee with \$10,000 and a job promotion to milnence co-workers. James Wardlaw, a former regional vice-president and general manager, and Eric Turpin, former vice-president of human resources, were on leave pending a trial.

US target of Zaire protest: Zairian protesters burned the US flag at a demonstra tion in Kinshasa and demanded the expulsion of US ambassador Daniel Simpson. The US has been accused of supporting the Alliance of Democratic Forces for the Liberation of Congo-Zaire, which has been advancing against the army of president Mobutu Sese Seko.

lack See fish war: Russian coast guard ships fired on Turkish vessels fishing illegally near Georgia's Black Sea coast, killing one man. Sight ships were chased and one held. Page 4.

NATO warships from the Mediterranean task force will pay an unofficial visit to Ukraine's Black Sea port of Odessa this month. The seven ships are from Britain, Germany, Greece, Italy, Netherlands, Turkey and the US.

FT.com: the FT web site provides online news, comment and analysis at http://www.FT.com

M STOCK MARKET MOICES | M GOLD

| 8 | New York harchiless | New York: Cornex |
|----|---|---|
| ı. | Dow Jones Ind Av7077.85 (-7.31) | (Mar)\$352.8 (354.7) |
| ٠. | MSDAO Composite1308.92 (-7.84) | 1 |
| | Example und For East | Losdon |
| | C4C40:2641.70 · (-44.45) | close \$352.95 (351.15) |
| | . DAX | 1 |
| | FISE 1006422.5 (-21.8) | m DOLLAR |
| • | 18,183.27 (-84.45) | New York: lanchtime |
| | 10.77 | £1.5985 |
| | TUS LUNCHTIME RATES | DM1.89685 |
| 3 | Federal Funds | Ffr5.726 |
| • | 3-min Treas Bills: Yid 5.197% | SFr1.4587 |
| | Long Bond | Y122.475 |
| | Yeld | 1 |
| ٠, | · Carrie - Anna | Londons |
| | III OTHER RATES | £1.593 (1.6052) |
| ć | | DM1.7014 (1.7055) |
| ٠. | ST. 3-mo Interbank8.3 (same) | FFr5.7411 (5.7496) |
| ž | ME 10 yi GR101 注 (101登) | SFr1.466 (1.4747) |
| - | France: 10 yr OAT107.47 (107.51) | Y122.63 (121.855) |
| , | Germany: 10 yr Bund102.40 (102.47) | |
| • | Африи: 10 ут JGB105.0205 (104.907) | Tokyo close: Y 122.63 |
| | | |
| | MORTH SEA OIL (Argus) | E STERLING |
| | Brant Dated \$18.88 (18.53) | DM27103 (2.7377) |
| | | Dynamic Carl STO. Subjects 647/4; |
| ć | MAJETALI D Work on section 1 | Com III Person Marin |
| • | | Enterior ENGLICE: Plates Facilities |
| | | Report Harcock Strain St. Common Control Strain Michigan |
| | · 國際行為的政治 医多种性 医二甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基甲基 | Grande (1945); Igoland 1972/98; Joseph Lift Rosenik Place/Side |
| | | late is till. (Brest Uni2130; |
| _ | MRESELLIE BRICK BEINERS BERFF | Lauranteers (1976; 1954cm (1976)) |
| | | |
| | 4 (101/4-738142 | Hotel 10/210 Cars (A) 7: |

Waigel is reassured over independence of European central bank

Bonn backs stability council

By David Buchan in Lyons

Germany yesterday finally gave qualified endorsement to the French idea of a ministe-"stability council" to coordinate economic policy within the planned European monetary union.

At a meeting yesterday with their French counterparts in Lyons Mr Theo Waigel, German finance minister, and Mr Hans Tietmeyer, Bundesbank president, accepted assurances from Mr Jean Arthuis, France's finance minister, that the stability council would not encroach on the European central bank's independent right to set

monetary policy.

Both countries also reaffirmed their determination to meet the criteria for joining Emu and stick to the timetable for introducing a European single currency in January

France originally intended the stability council, composed of countries selected next year to participate in Emu, partly as a counterweight to the ECB. Germany resisted, fearing such a council would menace the bank's independence. But France now seems to have defined the council in ways acceptable to the Germans.

"The stability council will be informal, and will in no way affect the European central bank's independence", said Mr Waigel, "and I am grateful to Mr Arthuis for underlining this."

gratitude to ministers for making clear that the stability council "will focus on economic policy", leaving monetary policy to the bank.

The ministers gave an upbeat view of their econo-



French central bank governor Jean-Claude Trichet, left, with Theo Waigel, Jean Arthuis and Hans Tietmeyer yesterday

in line with official forecasts in had previously said only that French growth would be 2.3 Mr Tietmeyer expressed his per cent "at a minimum".

Mr Arthuis said there was "no doubt about the two countries meeting the criteria for Emu".

Mr Waigel was slightly less mies, which they said would dogmatic, pinning his hopes EU leaders, which sets out many to respect this desire.

year's performance. This was such as the tax changes which he said he would present in Bonn, although Mr Arthuis Bonn later this week and brackets at their lowest level

and sticking to the timetable and his own stability pact after its parliamentary electwhile Mr Arthuis focused more

since 1949. The German finance minisbetween the stability council

mer was purely informal and would not take binding decisions, Mr Waigel said, while which would put German tax the pact was part of EU legislation and could be governed by the European Court.

Mr Arthuis said France ter drew a clear distinction would like the choice of Emu participants to be left until proposal, approved at last tions next March. Mr Waigel on EU initiatives. December's Dublin summit of said it was natural for Ger-

both attain 2.5 per cent growth for meeting the Emu criteria financial penalties for breachthis year - almost double last on growth-creating measures ing Emu disciplines. The for will in any case suit Germany. allowing more time for exact data on countries' 1997 eco-

nomic performance to come in.

Both ministers called for coordinated action to prevent unfair competition" between tax regimes of different states. Mr Waigel put his emphasis on wider international action

Hong Kong surplus well above expectations

displayed its wealth ahead of its return to China, announcing an unexpectedly large budget surplus which will lift fis-HK\$330bn (US\$42.6bn) by the July handover.

Mr Donald Tsang, financial secretary, said the budget surplus for the fiscal year to end-March 1997 would be ther surpluses totalling more than HK\$90bn by 2001.

Mr Tsang announced a cautious budget for 1997-98, with a post last month, is charged

sions. This is in spite of the Hong Kong yesterday extent of the territory's wealth, which is further bolstered by foreign exchange reserves of \$66bn.

Some economists questioned cal reserves to about the benefits of accumulating such large surpluses, although they nointed to the government's concern to maintain a war chest "They want a financial cushion during the transition, partly to guard against HK\$15.1bn, almost 10 times ini- any speculative attack against tial forecasts. He forecast fur- the Hong Kong dollar," said the chief economist at one European investment bank.

Mr Tsang, confirmed in his

through the transition. He said his budget was designed to demonstrate continuity in economic management.

He said it maintained the administration's principle of limiting spending increases to economic growth rates. Continued economic success would depend on Hong Kong's economic autonomy, the maintenance of the rule of law and the free flow of information, he

China has pledged to maintain the territory's capitalist system for 50 years and to leave untouched its fiscal reserves. Although Chinese officials were involved in the real spending increase of 6 per with steering the economy 1997-98 budget and have previ-

ously urged curbs on welfare spending, Mr Tsang insisted he did not face pressure during the drafting process.

The budget drew a mixed response from the business sector. Mr Rod Houng-Lee, head of taxation at Price Waterhouse, welcomed the announcement that foreign

THE LEASING

Hong Kong would be allowed to deduct withholding tax.

However, Mr Marshall Byres, chairman of tax services at Ernst & Young, said the budget was very conservative and he was concerned by Mr Tsang's justification for running a large surplus.

Insurance deal puts Marsh & McLennan back on top

By Christopher Adams, nsurance Correspondent

Marsh & McLennan, the international insurance broking and financial services group, has trumped its neares rival Aon with the \$1.8bn (£1.1bn) acquisition of Johnson & Higgins of the US, ending 150 years of independence for one of the world's most famous but secretive broking partner-

The deal restores Marsh's position as the world's biggest insurance broker. It was shunted briefly into second place after the young and acquisitive Aon Group shook the industry with the \$1,23bn purchase of Alexander & Alexander announced in December.

Under the terms of the agreement, of which there were few details, Marsh & McLennan will pay one third of the price in cash and the rest in its own shares.

Johnson & Higgins declined to say who were its principal shareholders or by how much its senior executives would

The group said it had "for some time" been considering options to bolster its financial strength, thought to include a public offer and acquiring or merging with another bro-

Mr Ian Smith, chairman of Marsh & McLennan, expected the merger to generate annual cost savings of \$150m after completion "without a percep-

tible increase in expenses". "We will surely see some duplication in back offices, in systems, in some corporate Observer, Page 15 | functions, and we'll probably find some economies in real estate," said Mr Smith.

Both groups are well represented in the US, where Johnson & Higgins earned about half of its \$1.16bn revenue last But the premium to income

which Marsh has paid suggests that the group values the quality of Johnson's business,

> Continued on Page 16 Observer, Page 15 Lex, Page 16 Top spot regained, Page 22

Robinson ready to stand down as Irish president

By John Murray Brown in Dublin

Ireland is set for presidential election in November, after Mrs Mary Robinson, the country's first announced yesterday that she would not seek a second sev-Her decision will fuel specu-

lation that she intends to seek a high-profile post with the United Nations. But it could also herald a potentially divisive political campaign in a year when voters already face a general election. The president, who is

directly elected and has few powers, had hitherto been a when elected in 1990 Mrs Robinson invested the job with She also raised Ireland's

international profile both

through her role as a liberal

woman politician în a tradi-

tionally conservative country to stand down as prime minis-and her outspoken champion- ter in 1994 over his mishaning of third world and human

Had she decided to stand

again, it was assumed the main parties would not have woman head of state, put up candidates, avoiding the need for a presidential in theory, the three main parties - Fianna Fail, Fine Gael and Labour, which

backed Mrs Robinson seven

years ago - could nominate

candidates. As the largest party, Fianna Fail should win the contest, but there is some confusion over who the party might choose. Mr Charles Haughey, the charismatic former Fianna largely ceremonial figure, but Fail prime minister, would be a popular choice, but members of his family are linked with a political donations affair

> minister. Mr Albert Reynolds - forced

which has already seen the

resignation of one Fine Gael

CONTENTS

dling of a paedophile priest extradition case – would have strong support in the party. but he has already indicated he will contest his Dail seat in the general election.

Mrs Marie Geogbegan Quinn, a former Fianna Fail justice minister, who announced she was leaving politics because of excessive media intrusion, is said to be ambitious for the job. A compromise from Fianna Fail might be Mr David Andrews, an uncontroversial former foreign affairs minister.

the Northern Ireland peace process and leader of the moderate nationalist Social Democratic and Labour party, has also been mentioned as a possible candidate, although publicly he has ruled it out.

Symbol of liberalism, Page 3 Mayhew bows out, Page 10

SOLUTION YOU NEED **DEMANDS** OUR KIND OF Mr John Hume, architect of if you're looking to envise without capital outlay, think teasing. Think the Royal Sank. We look at each proposition in detail. We take account of the broader business issues. And we work closely with you to structure a financing solution that delivers your specific objectives. So, with a track record involving some of the biggest transactions written and a leasing portfolio in excess of £2.5 billion, shouldn't we be your first choice for YK The Royal Bank leasing and asset finance? Call 0860 34 35 36. The of Scotland iand pic. Registered Office: 36 St. Andrew Square, Edinburgh EH2 2YS. Registered in Scotland No. 90312.

O THE FINANCIAL TIMES LIMITED 1997 No 33,238

LONDON - LEEDS - PARIS - PRAINTURT - STOCKHOLIK - MADRID - MEW YORK - LOS AMERIES - TOKYO - HONG KONG

18-20.22

NEWS: EUROPE

Political infighting over economic reforms delays disbursal of \$3.1bn western aid | FBRD

Ukraine hit by debt headache

The bold package of economic reforms announced by the Ukrainian government this winter has become trapped by political infighting in Kiev, creating a debt headache for the government.

Launched on the back of a successful stabilisation of the country's currency, the proposed reductions in tax rates and a streamlining of onerous government regulations are stuck in parliament, along with the draft 1997 budget

The delay prevents the disbursal ters do not last long in Ukraine. of \$3.1bn in western aid, forcing the Pointing to the caramel-coloured country to rely heavily on domestic idly on world markets.

As economic uncertainty has grown, so have the political recriminations. Four ministers - including record, adding that he expects those for both economy and finance · were sacked a fortnight ago, at the initiative of Mr Pavlo Lazarenko, the nrime minister. Two other ministers were sacked last month.

Now Mr Lazarenko's own job may be in doubt. President Leonid Kuchma, who appointed him nearly a year ago, blames the prime minister for the economic problems, including 3bn hryvnia (\$1.7bn) in ment is very keen on structural wage arrears - including 51m reform." hryvnia in the nuclear power indus-

FINANCIAL TBMES
Published by The Financial Times (Enrope)
GashH, Nibelungemplatz 1, 60318 Frankturt am Main, Germany, Telephone +196
9 156 830, Fax ++99 69 396 4481. Represented in Franklight by J. Walter Brand,
Wilhelm J. Brüssel, Colin A. Kennard as
Geschäftsführer and in London by David
C.M. Bell, Chairman, and Alan C. Milker,
Deporty Chairman. The shareholder of the
Financial Times (Europe) GushH is Pearson Overseas Holdings Limited, 3 Barlingtous Gardena, London, WIX I.E.
Shareholder of this company is Pearson
plc, registered at the same address
GERMANY:

Responsible Publisher: High Carney 468 618 6088. Printer: AB Kvillstidningen Expressen, PO Box 6007, S-550 06, lönköping.

O The Financial Times Limited 1997. Editor: Richard Lambert, clo The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL

As Mr Kuchma prepares to give his state of the union address tomorrow, his economic aide says more

cabinet changes are imminent. The prime minister, who last summer escaped injury when a bomb exploded near his motorcade, is under attack from many sides. The country's liberals criticise his man-

Others allege that he rigged the wholesale gas market for the benefit of his companies - a charge he calls "groundless". Mr Lazarenko knows prime minis-

ters do not last long in Ukraine. walls in his spacious office, he says: "My predecessor did the renovation. He only got to enjoy it a week." In an interview, the former collec-tive farm chief defends his reform unlike his five predecessors since 1991 - to last more than a year in office. He dismisses warnings from economists that the slow pace of privatisation and related structural changes that hurt vested interests could bring an economic crisis similar to Bulgaria's. The "terrible Bulgarian lesson" will not be repeated

On energy policy, Mr Lazarenko



Lazarenko: under attack from all

scheme solved Ukraine's chronic Russian supplier. But he calls it ent market by the second half of

He says the mass privatisation in Ukraine, he says. "The governgovernment is preparing its second foreign investments. The proposed try, including the politically sensi- says the current gas distribution sale of AvtoZaz, the largest motor hoard,

asked to stay on follow through on this promise. "I want a real owner in every

chief

By Kevin Done,

East Europe Correspondent

Western governments have

asked Mr Jacques de Laro-

sière to take on a second

four-year term as president

of the European Bank for

Reconstruction and Develop-

The future top manage-

ment of the EBRD has been

thrown into uncertainty

amid speculation about Mr

de Larosière's future as well

as the possible return to the

private sector of Mr Ron

Freeman, first vice-president

Mr de Larosière, 67, a for-

mer managing director of

the International Monetary

Bank of France, said he had

been asked by Mr Rusiri

Quinn, Irish finance minister

and chairman of the EBRD's

board of governors, to

remain at the bank when his

first term expires in Septem-

The offer was "a touching

manifestation of confidence

from shareholders," said Mr

de Larosière, but he was "not yet ready to give an

answer." He refused to com-

at the bank

enterprise," he says. "Unfortunately there are no domestic owners who can turn these companies around. The only way out is to create attractive conditions for big western com-

The first task, however, is the budget. After early reservations Mr Lazarenko firmly backs the tax cuts and draft budget. Presidential aides say Mr Kuchma will also put more

pressure on parliament. Mr Lazarenko pledges to back Mr Kuchma in next year's parliamentary polls and the 1999 presidential election. But he adds coyly that, while being premier leaves him no time to create a political party, "if I would no longer be prime minister, then I would have more free time and think about something else." Mr Lazarenko enjoys open support

from Ukraine's largest company, Fund and governor of the United Energy Systems, and bankers arrears problem with Gazprom, its from his home town, Dnipropetrovsk whose moneyed elites helped "flawed" and promises "a transpar- bankroll Mr Kuchma's successful

presidential bid in 1994. Analysts believe Mr Lazarenko could be better placed today to raise

programme will end by July, and the considerable funding for a new party or a presidential campaign from the phase of state sell-offs, targeted at same well. For that reason, Mr Kuchma may want to keep him on Albania north-south rift deepens

ment directly on suggestions that Mr Freeman, the 57year-old former Salomon Brothers banker, was planning to leave the EBRD which he joined in 1991. Mr de Larosière and Mr Freeman are credited with

reviving the fortunes of the bank after its controversial start led to the premature resignation of its first president, Mr Jacques Attali, former chief adviser to the late French president François Mitterrand, in 1993. Mr Attali was criticised for his high-cost management style and heavy spending on the luxurious fitting out of its London headquarters.

Under Mr de Larosière the bank's total administrative expenses have been kept under tight control.

He said yesterday that the bank increased its operating profit before provisions last year by 17.4 per cent to Ecu97.3m (\$110.6m).

EUROPEAN NEWS DIGEST

Bonn to boost construction

The second second is

المحاضد بد

-

وهبني المراجع

-

والمحاورة المنازع

_ 1 1 5 **6**

القدرين والمراجع الراب

100

. هنجانو بيا .

Land to Land

الجائسة تناسبات المراجع

··· - -- -- -- -- (1)

The German cabinet will decide on Tuesday on measures triggering investments of DM25bn (\$15bn) to assist job creation in the country's stricken construction industry. Chancellor Helmut Kohl said yesterday. Mr Kohl told business leaders in Munich the

state-owned banks Kreditanstalt für Wiederaufbau and Deutsche Ausgleichsbank would initiate investments worth DM20hn. A further DM5bn would be generated by bringing forward infrastructure projects in areas such as transport and higher education, using various forms of private finance.

The chancellor said the government hoped for a positive impact on jobs from some of the investment this year. He gave no details and neither the finance nor the economics ministry in Bonn was able to elaborate ahead of next week's cabinet.

Peter Norman, Bonn
Germany's Federal Statistics Office said yesterday insolvencies in 1996 climbed 9.3 per cent to \$1,471. a record for the fourth straight year. Reuter, Wiesbaden

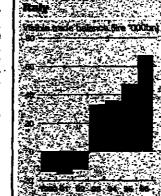
Brussels to probe Gan cash

The European Commission yesterday announced it was opening an investigation into a capital injection of FFr11bn (\$1.9bn) and a state guarantee worth FFr9bn to Gan, the French state-owned insurance group - after a first tranche of aid worth FFr2.86bn and approved by the Commission last year, was insufficient to return the company to viability.

French plans to help the country's textile industry stimulate job creation were illegal, the Commission said yesterday, but it delayed a formal decision for two weeks The measures were expected to save the French textile industry FF12.1bn in salary-linked social security Emma Tucker and Reuter, Brussels

ECONOMIC WATCH

Italian trade surplus up



Italy's trade surplus in 1996 increased 48 per cent to a record L67,483bn (\$40bn), a level considerably higher than expected. It was the fourth consecutive year since the 1992 devaluation of the lira that Italy had run a surplus. The 1996 performance

reflected a 4.9 per cent fall in imports as a result of depressed domestic demand, combined with a stronger lira that helped the money value of exports. in volume terms exports declined 1.3 per cent following the sluggish state

of such key markets as Germany. Italy's overall share of world trade dropped back from the 4 per cent high in the wake of the 1992 devaluation to 3.7 per cent. The surplus with the EU stood at L19,429bn, against

By Guy Dinmore in Tirana san, 55km south-east of Tirana, opened army in the south but may be able to the gates to more than 100 anti-govern- count on the loyalty of special police

Albanian troops yesterday handed out weapons to anti-government protesters near the southern city of Elbasan, while loyalists collected weapons from a military academy in the capital Tirana, fuelling fears the Balkan country was heading towards all-out conflict between north and south.

Responsible for Advertising content: Colin A. Kennard, Printer: Hürriyet International Verlaggescellachaft mbH, Admiral-Rosendahl-Strasse 3a, 67263 Neu Isenburg ISSN 0174 7363. Responsible Editor: Richard Lambert, clo the Financial Times Limited, Number One Southwark Bridge, Loudon SEI 9411. As unrest moved closer to Tirana, Mr Bashkim Fino, the newly appointed prime minister from the opposition Socialist party, called on state televi-Publishing Director: P. Maraviglia, 42 Rue La Boétie, 75008 PARIS. Telephone (01) 5376 8254, Pax (01) 5376 8253. Primer: SA. Nord Eclatr, 1521 Rue de Caire, F-99100 Roubaix Cedex I. Editor: Richard Lambert. 188N 1148-2753. Commission Paristare No. 678980 sion for dialogue with southern rebels who control a third of Albania. Mr Fino, 34, is a former mayor of the rebelheld town of Gjirokaster.

Rebel leaders who have formed a tion renewed demands for the resigna-

tion of President Sali Berisha and a place at talks in Tirana. They refused to hand in their weapons under an offer of general amnesty

but said they did not intend to divide

ment protesters and allowed them to forces, many recruited from the north take weapons, including Kalashnikovs,

from their arsenal. In Tirana, police stood by and did not ernment, another president - it does stop a crowd of men entering a military not matter: we are all brothers," said academy and collecting weapons, wit- one plain-clothes policeman, a northnesses said. Residents said some northerners had been recruited by the secret

The unrest, sparked by the collapse of pyramid schemes in which many people lost all their money, began in the wealthier south and has moved steadily northwards.

Talks continued yesterday on the government of national unity proposed National Committee for Public Salva- by Mr Berisha to run the country until June's elections, but the already fragmented opposition showed further Democratic Alliance said it was dropping out of talks because of the presi-dent's refusal to give the opposition the Americans living there to leave the position of interior minister.

where he has his powerbase. Even this is not certain, however. "Another governer in Tirana.

Diplomats fear Mr Berisha could lose control over the capital, especially if the largest pyramid fund, Vefa, goes under. At the moment, it is paying out small amounts of money to a few investors, keeping alive the hopes of others. While Albanians waited angrily for

their money, foreigners queued for aircraft tickets out of the country, heeding advice by several European embassies to get out as soon as possible. Yesterday Washington ordered 160 signs of division when the centrist US government employees to leave Albania because of the worsening cri-

KPN: 1996 excellent year.

country.

The aet profit of Royal PTT Nederland NV (KPN) rose in 1996 by 9.1% to NLG 2,462 million, Sales increased by 10.6% to NLG 21,330 million. The group's operating income went up by 11.1% to NLG 4,373 million. Earnings per share rose to NLG 5.29. The KPN Board of Management says the group achieved a satis-

factory growth in profit and a record increase in sales.

The Board of Management intends to propose a dividend payment of NLG 2.85 in cash per ordinary share of NLG 10.- par value (compared with the NLG 2.60 paid out over 1995). After deduction of the interim dividend of NLG 1.00 per ordinary share already paid in 1996, the final dividend will be NLG 1.85 per ordinary share. Capital expenditure on acquisitions and property, plant and equipment rose by more than 78% compared with 1995 to NLG 8,724 million in 1996.

PTT Post had an excellent year, with sales of NLG 6,710 million (up by 10.4%). All parts of the company contributed to the growth. PTT Post has obtained a good position in the strategically important segment of in-night distribution in Europe partly through the takeover of logistics companies in Germany, Austria and Denmark. Operating income rose by

30.8% to NLG 943 million. PTT Post became one of the four global players for time-sensitive distribution and logistical services in 1996 when it took over the Australian transport company TNT. The takeover is expected to make a modest contribution to the results in 1997.

| satis- contribution to the | results in 1997. | - | Th | e 1996 annual report will be published in the second half of |
|----------------------------|------------------|--------------|--------|--|
| In millions of guilders | 1996 | 1995 | growth | April 1997. The general meeting of shareholders will be |
| Total operating reveaues | 21,330 | 19,289 | 10.6% | held in Groningen, Netherlands on May 6, 1997. Copies |
| Mariana (*) | - 30 | fert size of | | of the 1996 KPN annual report are obrainable by filling in the coupon or by faxing +31-235 62 30 24. |
| Earnings | 2,462 | 2,257 | 9.1% | Copies are also available from April 15 at the office |
| | = :: | 4.00 | | of ABN AMRO Hosre Govett, 4 Broadgate, London |
| Eurologis per share | NLG 5.29 | NLG 4.89 | 8.2% | EC2M 7LE. |

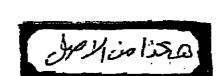
PTT Telecom increased its sales by 9.3% to NLG 14,276 million, mainly due to a rise in national telephony and mobile telecommunications sales. Operating income rose by 8.7% to NLG 3,456 million. National telephony sales increased by 9.3% and sales of mobile telecommunications services went up by 36.4%. PTT Telecom introduced numerous new services in 1996, such as services for messaging, reminder calls, call waiting, the 'Zeeland' smart card, the 'Chipper'

electronic wallet, country cards, EasyConnect and EasySwitch. Prospects in 1997: KPN expects substantial growth in sales and a satisfactory growth in net income. KPN does not exclude the possibility of issuing further debt in the course of 1997.

r 61, 9700 VB Groningen, the Net







Kremlin says president wants to go further, faster

MPs attack reshuffle by Yeltsin

By Chrystia Freeland in Moscow

The Russian parliament mass privatisation proyesterday lashed out at President Boris Yeltsin for putting reformers in charge of the cabinet. But a top Kremlin official said the Russian leader remained determined to move further and faster with bold economic change.

In a furious reaction to the return of Mr Anatoly Chubais, Russia's controversial market reformer, to the cabinet, the Communist-dominated legislature overwhelmingly endorsed a resolution condemning the Kremlin.

The statement accused the president of pursuing a "ruinous social-economic course which has brought Russia to the brink of catastrophe'

The legislature, which had with the centrist cabinet led by Mr Victor Chernomyrdin, the premier, said the appointment of the radical tial backing would launch a are getting from him." Mr Chubais would lead to a worsening in relations reforms, he added. between the parliament and

wing parliamentarians, who have execrated Mr Chubais for spearheading Russia's gramme, seemed likely to fall on deaf ears.

Mr Maxim Boyko, a presidential aide brought into the Kremlin when Mr Chubais became chief of staff last year, said the president was committed to a package of tough economic reforms.

Some analysts predict they could sideline the prime minister, as Mr Chubais becomes Russia's sole first deputy prime minister. In an interview, Mr Boyko

offered implicit support for that view, describing Mr Chernomyrdin as "weak-However, Mr Boyko insisted Mr Chubais and Mr

Chernomyrdin enjoyed "a good working relationship' reached an accommodation and said the cabinet was more united than ever. Government unity and a renewed degree of presidennew wave of economic

"I believe that Russia is



Chernomyrdin yesterday: "weakened" by reshuffle

Boyko went on. I think the strengthen local governsecond presidency of Mr Yeltsin is starting now."

behind a painful series of reforms, including an dent regional governors. increase in rents and streamlining of the military. "His approach is very much to go further and further and further. In fact he is telling us: give me more concrete proposals, I want to go faster. That is the kind of signal we

The aide, who has worked closely with Mr Chubais since the beginning of marne government. now on the verge of a very ket reforms, said one change But the protests of left-significant step forward," Mr would be an attempt to

hope here and the source of ments at the municipal and all this is the sense that the village level by broadening their tax base. Such a shift would give the Kremlin a Mr Boyko said the Krem-lin chief was now fully the growing power of Rususeful counterweight against sia's increasingly indepen-

Implementation of the

measures is not expected to begin until the make-up of a reshuffled cabinet has been announced later this week. • Mr Yeltsin appointed his son-in-law acting director of the national Aeroflot carrier yesterday, a news agency said, AP reports from Moscow. Mr Valery Okulov was previously first deputy to the outgoing director, Mr

Bulgaria hopes for IMF deal

By Theodor Troey and

Bulgaria's caretaker terms against the backgovernment hopes to reach agreement with the International Monetary Fund on a sector. new standby loan shortly, possibly by next week. But senior IMF officials in

any deal done before the April 19 elections would the winner would abide by the terms.

"I am encouraged that we shall reach an agreement with Bulgaria soon, but it release the first tranche before the elections." Mr Michael Deppler, director of the IMF's First European Department, said after talks with President Petar Stoy-

anov yesterday.
"Some differences still have to be cleared up. The Fund would like Bulgaria to join other central European growth and a low level of inflation. But I have to be convinced that the policies accepted by the caretaker government will win wide support and will also be followed by the next govern-

advised Bulgaria to switch to a currency board system to stabilise the economy after the Fund in effect cancelled a \$580m three-year standby loan agreement in October. only three months after the

deal was signed. The former Socialist government was unable to comply with the ground of a collapse in the largely unreformed banking

The new standby loan is expected to be larger than the cancelled facility. The Sofia have underlined that first tranche will probably be paid out after the elections but before the currency depend on assurances that board is introduced in Mav or early June after approval by the new parliament.

The IMF team yesterday discussed the introduction of the currency board and ways will not be possible to of strengthening the banking sector with Mr Ivan Kostov, leader of the Union of Democratic Forces (UDF), the anticommunist coalition which dominates the caretaker government, and possible next prime minister

A currency board deprives governments of the power to subsidise budgets or lossmaking enterprises by rigstates and achieve economic idly linking the domestic money supply to the level of hard currency reserves.

The idea has been widely accepted by UDF leaders. But Mr Jeffrey Sachs, director of the Harvard Institute of Development and an economic adviser to Mr Stov-Last year, Mr Deppler anov, warned this week against the restrictive implications of a tight monetary regime. "A currency board is a good idea. But it is a solution that needs to move to a more flexible system in the

EUROPEAN NEWS DIGEST

Turks warn on customs union

Turkey could scrap its customs union with the European Union unless it wins full EU membership, Ankara's ambassador to the EU warned yesterday.

This is the first time a senior official has spelled out earlier informal warnings that Ankara would terminate the customs union, which took effect last year. Last week some EU conservative leaders said Turkey could not be considered "acceptable" for membership.

The government's Anatolia news agency quoted the ambassador, Mr Uluc Ozulker, as saying: "Our relations with the EU could not survive under these circumstances

and customs union could not be continued." Turkey, which had to overcome strong opposition in the European Parliament to clinch the customs union, considers this a final step before full membership. Officials have also warned that Ankara would annex

Turkish north Cyprus if the EU application were turned down. The government has already threatened to veto Nato expansion unless it joins the 11 countries already listed for membership talks. John Barham, Ankar

Russians fire on fishing boats

Russian coast guard ships fired yesterday on Turkish vessels fishing illegally near Georgia's Black Sea coast Russian news agencies said. One fisherman was wounded Nine ships were detained. Eight of them were later released, while one, named Erin-Haidari, was held for further investigation, said the press service of the border guards' command. The press service said the Erin-Haidari refused to obey orders to stop and ignored a warning shot, forcing the guards to fire at its bow. It said Turkey had been notified of the incident.

Russian coast guard vessels patrol Georgian waters under an agreement signed in 1994 between the two former Soviet republics.

Czech energy VAT to rise

The Czech government yesterday approved a rise in value added tax on energy prices to 22 per cent from 5 per cent from January 1 1998.

The move is part of wide-ranging plans to overhaul the tax system and price controls that are expected to include a similar rise in VAT on rents, cuts in corporate and personal taxes, and an increase in consumption taxes. These plans were still under discussion late yesterday.

Mr Vaclav Klaus, prime minister, said the "mechanics of tax collection" were also under scrutiny. The state budget recorded a deficit of Kc6.7bn (\$227m) in February. which has been blamed on weaknesses in the state's ability to collect taxes.

Spur to Romanian investment

The Romanian Development Agency, the official promoter of foreign investment, said yesterday it had drafted amendments to the foreign investment law to simplify procedures and increase incentives.

The changes proposed by the agency include free land and buildings for new production sites, tax breaks on profits, and an extension of existing exemptions from customs duties. Minimum investment needed to qualify for such facilities is to be reduced from \$50m to \$10m. The proposed changes come in the context of Romanian hopes of joining western structures, notably Nato and the

....----7-7-7-

7.752

- 4

عدم عراب فيطي عراب

4.31

-7. . . .

Spain labour pact near as unions soften stance

By David White in Madrid

A pact between Spanish unions and employers on CEOE president, said the stable employment for new labour practices appeared near vesterday but looked as if it would fall short of the fundamental reform the centre-right government and industrialists

Leaders of the country's two main trade union federations, the CEOE employers' body, and the small-com-

SIEMENS

NIXDORF

in a last-ditch effort to reach dancy compensation. Under

Mr José Maria Cuevas, the two sides were close enough to begin drafting the text of payments would in normal a possible pact covering circumstances be limited to labour contracts, redun- about 30 days per year dancy terms and collective bargaining.

The breakthrough in the talks, on the verge of collapse at the beginning of the month, came after a change in the unions' stance pany organisation Cepyme, towards contracts setting

a new kind of contract, aimed mainly at securing young workers, redundancy worked.

This would be less than most current redundancy settlements. In theory, companies with justifiable employment, but resisted grounds for redundancies are liable to pay 20 days' wages per year worked, up fixed low-rate redundancy reported significant progress reduced limits on redunto a limit of one year's

wages. But slow court procedures mean the usual practice is to pay the higher compensation rate set for unfair dismissals of 45 days' pay

The two labour federations, the General Workers' Union (UGT) and Workers' Commissions, had proposed new kinds of labour contracts to encourage youth employer plans for contracts lasting up to 10 years with a

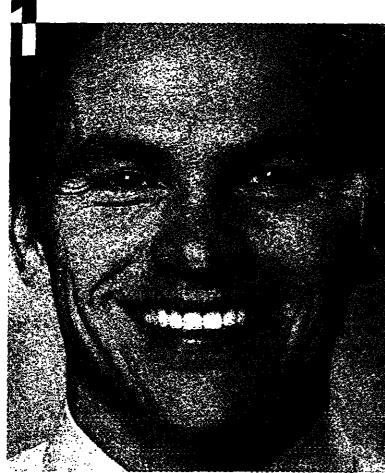
Their revised approach is Muñoz, chairman of the spe-aimed at converting tempo- cial steels producer Acerirary jobs - which now account for just over a third of the total - into permanent hirings. However, the new compromise redundancy terms would not apply to workers already on

long-term contracts. Many business leaders fear the change will be inadequate to guarantee Spanish competitiveness within the planned single currency group of the European Mr Victoriano

nox, warned the government last Friday that a bad agreement would be worse than no agreement, and it should "face up to the unpopularity of a general strike if necessary" to enforce the necessary changes.

However, the government has so far taken the position that it would intervene with legislation only if union-emplover talks broke down or if they agreed not to change the current rules

Anatol Lieven, London



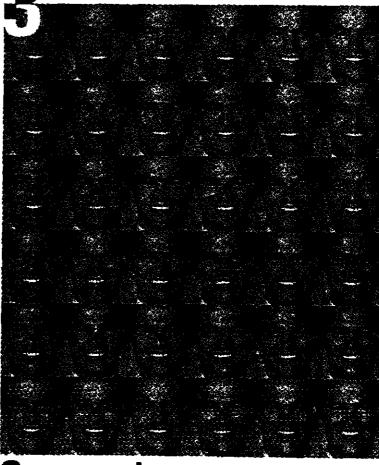
User

Because ease of computer operation and fast access to the right information are becoming increasingly crucial factors, Siemens Nixdorf has a clear focus: User Centered Computing Like the user interface: Regardless of whether you're used to windowing or a certain Web browser, only little effort is needed to learn new applications... Because the Look & Feel remains the same.



Centered

With "ComUnity", Siemens Nixdorf has developed a new software architecture for component- and network-based solutions. Legacy applications, too, can be integrated into these new solutions. And the point of integration is always the user's workplace. Supported by a broad portfolio of infinitely scalable hardware - From network computers to multimedia PCs, from NT departmental servers to clustered high-end machines.



Computing

User Centered Computing also means moving beyond technology issues and concentrating solely on the needs of the user. It then makes no difference whether the user is on a private network, an Intranet, or on a public network, the Internet. For more information visit us at Internet: http://www.sni.de

Siemens Nixdorf: User Centered Computing

M Thus

The Ave

Marie Salar

Marie Same

Action - Spirit str.

PART - 1

All project Maria Care

· Water Street

BOOK OF THE L

Property Services

Markey See

TO THE PERSON AND THE PERSON AND THE

11 - . .

ZYACNAK

The second

rules regulating media ownership across the 15 European Union member states was last night postponed in the face of ferocious lobbying against it.

EII commissioners will return to the subject in coming weeks, but the prospects Monti, the former economics professor who is the EU's commissioner responsible for the single market, appear

For the second time in two years Mr Monti is facing an uphill battle to convince felwide rules on menus on the ship are essential to the ship are essential to the

Even a toned-down plan

on a company's or individu-An initiative to produce al's share of any national radio or television audience and a promise of "flexibility" in how the threshold would be applied is unlikely to win the support of the Brussels

"Media ownership is just too sensitive an area for the Commission to be getting of success for Mr Mario involved in," said an official. · Other EU officials, and representatives of the industry, are baffled why Mr Monti is pressing the proposals in the face of hostility from many member states and much of Europe's media

industry. Previous attempts to harmonise media ownership rules at an EU level, notably by Mr Monti's predecessor, Mr Ramero Vanni d'Archirafi, consistently failed to the Commission. The issue of who controls

a nation's media touches a raw political nerve in member states; and the 1957 Rome treaty - the EU's formding document - states that diverse ownership or "pluralism" is a matter for national governments.

A more politically astute

man than Mr Monti might have got the message - especially as his boss, Mr Jacques Santer, Commission president, comes from Luxembourg, home of CLT, one of Europe's biggest media companies and a large employer in Luxembourg. Mr Santer a former Largembourg prime minister, knows all about CLT's hostility to Brussels action on media ownership.

cial. "Once he has got his teeth into something, he doesn't like to give up." obstacles. CLT has 14 televi-Mr Monti points out that, sion channels in six counwhereas a reasonably level

playing field has been creacross eight countries. ated for the cross-border trade in goods and services. a single market in the media industry does not exist. A plethora of national laws on media ownership make it harder for companies to compete fairly or engage in

But the industry says these rules have little to do with lack of cross-border ent, which is much more related to language and cultural barriers.

cross-border investments.

The European Publishers' Council (EPC), a body representing big media companies from across Europe, says that where companies have

By Emma Tucker in Brussels imposing a 30 per cent limit pass muster with the rest of says one Commission offi-judged it commercially by EU regulation. In a Januworthwhile to invest abroad. ary 1994 resolution, MEPs they have overcome such said that "national media tries and 18 radio stations

"If you look at the situa-tion theoretically, then what intriguing explanation for the Commission is proposing is right," says Ms Angela Mills of the EPC. "But in reality, barriers to cross border trade will never be resolved by legislation."

A second explanation for Mr Monti's persistence on media ownership is that he is under pressure from the European parliament. But MEPs are approaching the issue from a different angle.

Whereas Mr Monti argues the importance of the single market, the parliament is Italian government would fighting under the banner of ever dare to tackle Berluscultural pluralism defended

legislation alone was no longer sufficient to safeguard diversity of opinion and plu-

ralism in Europe". Mr Monti's refusal to give up, which lies closer to home: the failure of national rules in his native Italy to prevent the creation of a media duopoly, dominated by Mr Silvio Berlusconi on one side, and RAI, the public

panies in Italy want is a European directive to sort out the situation in Italy.' said an industry specialist. "They don't believe that the

Mrs Mary Robinson, who announced her decision yesterday not to stand for a second term as Ireland's president, has come to symbolise broadcaster on the other. the dramatic changes the "What private media comcountry has undergone in the past decade. She personified, as much to the outside world as to the Irish, the new Ireland,

By John Murray Brown

increasingly self-confident, no longer priest-ridden, and no longer living in the shadow of the UK, its former colonial master. How much was her doing and how much was good timing are difficult to judge.

Her victory in 1990, far from being evidence of a progressive or women's vote, was secured only after the favourite, Mr Brian Leniban, the Fianna Fail candidate, ecame embroiled in allegations of political impropri-

But she did much to reinvent the office of the presidency - a job that was held hitherto by worthy elder statesmen and that had remained largely ceremonial.

A former Trinity College law professor, and member of the Senate, Ireland's upper house, for 20 years, she took a liberal position on social issues - she was part of the Divorce Action group, lobbied for the introduction of contraception, and acted for Senator David Norris in his case in the European court of human rights seeking the decriminalisation of

On the Northern Ireland issue in particular, she broke with tradition, famously photographed shaking the hand of Mr Gerry Adams, the Sinn Fein president, several months before the IRA declared its ceasefire and refused to have contacts



became symbol

of new Ireland

Mary Robinson turns down

Robinson: dramatic changes

with republicans.
As the wife of an Irish Protestant, she brought a special sensitivity to the Northern Ireland problem. She resigned as a Labour senator over the UK-Irish Hillsborough Agreement on power-sharing in Ulster in 1965 because she believed it had been imposed on the Unionist majority - though

dent. As president, she was careful not to be overreach her constitutional role, and was criticised during the divorce referendum in 1995 for a couple of pointed interventions in support of legalising

five years later she was

Labour's nominee for presi

remarriage. Through a hectic travelling schedule, she also did much to stimulate a public debate about the role of Ireland's diaspora, keeping a candle lit at Aras an Uachtarain, the president's official residence, in memory of

the Irish abroad. This week again she was the subject of media comment after her first visit to the Vatican, when she was criticised by traditionalists for not wearing a "mantilla" - the deferential head scarf while the government still worn in church by Catholic

De Silguy quietly shelves tax study

The European Commission has quietly shelved a study Callan Fride, Supply planned single currency zone could co-operate more closely on tax harmonisation and social security.

Mr Yves-Thibault de Silguy, European Union monetary affairs commissioner, launched the study in the new year to stimulate the debate on "flexibility" in Europe, whereby some countries can press ahead with integration without being held back by others.

However, Mr Mario Monti, internal market commissioner, and others complained that Mr de Silguy was "jumping the gun". They opposed opening a debate on tax matters which risked alienating EU countries initially left out of economic and monetary union. Mr Monti also argued that tax reform should be dealt. with under the unanimity

efforts edged forward this of a high-level group of representatives of all 15 EU finance ministers to deal

with unfair tax competition. In retrospect. Mr de Silguy's tax initiative could be viewed as a far-sighted effort to define the rule of the post-Emu world, or as a covert attempt to protect and extend the Commission's and his own role should monetary union go ahead on schedule in 1999. Mr de Silguy is pressing hard for the Commission to have a formal role alongside the future Group of Seven industrialised nation summits when matters relating to the euro

zone come on the agenda. Officials said the Commisharmonisation seeks to sketch how countries could

rule in the decision-making ties. These give the Commiscouncil of ministers. His sion powers of supervision and enforcement relating to week with the first meeting the internal market and budget discipline among comtries in and outside the euro

> In a potential threat to the Commission's post-Emu role, France has proposed a looser intergovernmental approach which would create a "Stability Council" of euro member states acting as a political counterweight to the future European Central Bank.

One obstacle to greater fiscal harmonisation is that the Maastricht treaty stipulates that all 15 member states European Central Bank at have agreed that countries taking part in Emu cannot raise extra barriers against future entrants.

Luxembourg, which takes over the rotating EU presisioner's draft report on tax dency on July 1 from the Netherlands, has pledged to examine the question of tax without violating EU trea- achieving a code of conduct. I licly funded social protection systems

Brussels drive to cut non-wage labour costs

By Caroline Southey in Brussels

The European Commission yesterday stressed the need for European Union coumtries to cut non-wage labour costs as part of

a drive to boost job creation. In the most critical assessment by Brussels on the EU's social protection regimes, the Commission backed a working paper setting out the deficiencies in social protection systems across the Union.

The Commission's initiative comes in the wake of the controversial closure of a factory in Belgium by the French carmaker Renault. The company cited Belgium's high non-wage labour costs as the main reason for its decision. Mr Padraig Flynn, European commis-

sioner for social policy, said the Renault closure underlined the need to develop a "social dimension to complement the single market", including a convergence of social protection plans in the EU. "Social protection must adapt to survive.

This does not mean unravelling the welfare

state but modernising it," the Commission paper said. It underlines the urgent need for governments to reform all aspects of social protection, including health care, unemployment co-operate in fiscal policy competition with a view to benefits and pensions, pointing out that pub-

account for 28 per cent of the EU's total gross domestic product. To improve the EU's poor job creation record, the document calls for an overhaul of unemployment compensation schemes and taxes to provide incentives

for taking up work. The paper argues that "reactive unemployment insurance" should be replaced with "pro-active employability insurance".

The European Commission yesterday approved proposals for a minimum tax for electricity output as well as a tax for natural gas and coal when they are used as motor fuel or heating fuel, Caroline Southey writes from Brussels. Coal and natural gas would be exempt when used as raw materials or chemical reductions. The

proposals are likely to provoke controversy as national governments consider taxation their prerogative.

"Taxation and social protection system need to be made more employment-friendly while still providing a safety net for the jobless," the paper argues, adding that dependency on social protection is likely to grow for as long as the net gain expected from return to work is small".

The paper argues that non-wage income support should be introduced, such as providing public or subsidised child care.

ortunities even further. For children, website where young people from are

Stay at home and take courses, do research, or work toward a degree, NEC's Global College Concept will

Tele-Education



IEC Multimedia

Imagine a world where the best place to shop, work, play, see an exhibition, consult a physician, or get an education is in your home. A world where time and location are not limitations. This is the world of multimedia as envisioned by NEC. For more than two decades, NEC has combined the advanced technology of computers, communications, and semiconductors to develop and expand the multimedia world. It's a blend of dedication and imagination that will improve the quality of life for everyone. At NEC, the future comes home.

Imagine the future.



Tele-Working Create your own office, complete with a worldions activorii, NEC MERMAIO

ed, London W3 6UL, UK, Fax 44-181-235-4942.

just imagine

NEC

NEWS: ASIA-PACIFIC

S Korea moves to cap rate rises

By John Burton in Secut

South Korea's central bank yesterday said it would provide commercial banks with Won1,200bn (\$1,38bn) in an attempt to cap a sharp rise in interest rates that has unsettled the Seoul stock

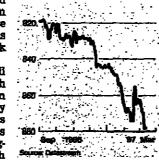
High rates and a sharp fall in the value of the South Korean currency - the won bode Ill for the economy this year. Some economists predict that South Korea is heading for a period of stagflation, with sluggish growth and rising inflation because of higher import costs.

The central bank yesterday cut its 1997 economic growth forecast to 6 per cent, from 6.4 per cent. But private economic institutes predict a growth rate closer to 5 per cent, the

ASIA-PACIFIC NEWS DIGEST

Lee sparks row

Ageinst the dollar (won per S)



slowest in nearly 20 years. The pressure on interest rates came from a lingering credit crunch caused by late January's collapse of the Hanbo steel and construction group, which was the country's

biggest bankruptcy.

corporate bonds, a measure of long-term interest rates, stood at 12.7 per cent yesterday, up from 12 per cent at the end of January.

A slowdown in sales has also forced South Korean companies to borrow more money to service their high debt burdens. The prospect of continued

high interest rates has led to a 3.7 per cent fall in the Seoul bourse's general share index since Friday. After closing at 655.95 on Tuesday, it rebounded yesterday to 663.90 on bargain hunting.

Stock market sentiment has also been depressed by the continued fall of the South Korean currency against the US dollar, in response to a widening trade deficit. A weak South

The yield on three-year ings this year of companies with large dollar-denominated foreign debt.

Some of South Korea's biggest companies were threatened with net losses for 1996 because of foreign exchange losses on overseas debt as the won fell by \$.2 per cent against the dollar.

They managed to avoid reporting deficits after the government let them capitalise most of their foreign exchange losses, although profits for listed companies still fell by 70 per cent. The won has fallen a

further 3.8 per cent this year, and closed yesterday at 877.30 to the dollar. Analysts believe that it will fall to 900 to the dollar by June because of the growing current account deficit and the outflow of foreign funds

Korean won could hurt earn- from the Seoul bourse. Moreover, South Korean exporters are not expected to benefit much from the weak won, as the Japanese yen is falling more quickly against

the dollar. In anticipation of a continued fall in the currency's value. South Korean companies have increased holdings of dollars in their foreign currency deposits, which puts further downward pres-

sure on the won. This has undercut efforts by the central bank to stabilise the won. The bank intervened in forward currency contracts markets in mid-February after the unit hit a seven-year low of 878.80 to the dollar. The rescue proved short-term, as the currency resumed its slide

World stocks, Page 36

Companies warned over payments to racketeers

Keidanren takes tough stance on corruption

By William Dawkins in Tokyo

The Keidanren, Japan's influential economic federation, yesterday promised a crackdown against corporate corruption in response to scandals involving payments to racketeers.

Companies found to have violated a revised Keidanren charter of good corporate an inquiry by the securities behaviour, approved last and exchange surveillance year, will be suspended from the organisation, said Mr As for Ajinomoto, the Keid-Masaya Miyoshi, Keidanren amren would "wait and see".

week's admission by Nomura Securities, Japan's a change in culture, practitop stockbroker, that it had made "apparently irregular payments" to a property company run by the brother of a *sokaiya*, an underworld figure who extorts cash by threatening to upset shareholders' meetings. Two executives of Ajinomoto, the

leading food processor, were warning marks a tougher arrested on Tuesday for stance against corruption by allegedly paying solotiya.

The Keidanren had yet to decide whether to take action against Nomura and Ajinomoto, Mr Miyoshi stressed. But he said it was 'maybe possible" that Nomura would be suspended, depending on results of commission, expected soon. Our closed and tradi-

He was reacting to last tional society must change," said Mr Miyoshi. Apart from cal solutions were more selfregulation, as embodied in the Keidanren charter, greater disclosure of financial information and a more systematic attack on corruption by government authori-

The Keldanren's veiled shadow, Page 15

the business establishment. coming at a time when corporate Japan's international reputation has been damaged by scandals at Daiwa Bank, involving hidden losses by a New York-based bond dealer in 1995, and at Sumitomo Corporation, the general trading company, involving a failed attempt by a metals dealer last year to

drive up world copper prices. The Keidanren has already started to act on its new code, by suspending for six months the memberships of Kimmon Manufacturing and Aichi Tokei Denki, Japan's two biggest producers of water and gas meters, after they were accused last month by the Fair Trade Commission of rigging contract bids in Tokyo.

Out of the gangster's

Earlier this year, the man at

the heart of the attempt to

fix bond prices was sen-

ADB in plan to lend Vietnam

By Jeremy Grant in Hanoi

The Asian Developme Bank (ADB) plans to le Vietnam \$1.5bn for the ye 1997-2000, it said yesterd This will make the coun the biggest recipient of

bank's concessional fundi However, the ADB un Hanoi to improve disbut ment of official developm assistance, reflecting wi spread concern over proj implementation in the co munist-run country.

The new pledge highlig how increasingly don dependent Vietnam becoming as the rate of eign investment promi ebbs and the authorit struggle to mobilise don tic savines.

"The government agr with the [ADB] missic view that raising the rate savings is one of its n urgent macro-econor

"In the meantime, h ever, the country would a tinue to depend on sign its development needs, ADB statement said.

About 40 per cent of money would go tows roads and power projects per cent would be spent agriculture and rural de opment, a further 25 per (on education and health the rest on financial se

The money will be vided on terms wh include a 40-year repayn period, including 10 ye grace and a service charg

l per cent. The fresh funding co on top of an existing \$1bi loans extended by the A since it resumed lending Vietnam in 1993. T money has been sunk int projects in roads, water, 1 eries, power and rural cr in a country that is : among the world's poore However, one project \$65m Ho Chi Minh (water scheme, had b labelled problematic due slow implementation by local partner, according grammes manager, in ch of Vietnam. That reflect wider concern over the level of disbursement ge ally. "The bank is concer about project impleme: tion performance [in V nam]," Mr Nag said.

Disbursement of offi aid from Japan, by far \ nam's largest donor, is al 3 per cent per year of mo committed, against regional average for such of 18 per cent.

An additional issue the difficulty Hanoi is l ing raising counterpart ft ing for its share of planned projects. This st from Vietnam's fragile ance of payments positio Mr Nag said Hanoi agreed to try to meet a f

disbursement target of per cent of net loans standing by the end of year, up from a current of about 7 per cent. average for all ADB proj Editorial comment. Page

with Malaysia travel between 8th April and 1st May 1997 BUT HURRY! There is limited availability. Malaysia and Singapore were embroiled yesterday in a row after Mr Lee Kuan Yew, the Singapore senior For details of this offer or our other daily scheduled minister, described a southern Malaysian state as 'notorious for shootings, muggings and car-jackings". His Call **0541 500 300** remarks touched off a second diplomatic row in eight months, signalling that relations are souring between the two neighbours, both leading members of the Association of South-east Asian Nations (Asean). Malaysia's foreign minister, Mr Abdullah Badawi, summoned Singapore's ambassador to Malaysia to protest at the remarks. Mr Lee's remarks came in a written affidavit during court proceedings against Mr Tang Liang Hong, a Singaporean opposition politician who fled to the Malaysian state of Johor in January after losing an election contest against Singapore's ruling People's Action party. The strength of Malaysia's reaction to Mr Lee's

Midweek Fares Offer

DUSSEIGHT ROM E39

Copenhagen ROM £39

FROM £39

FROM £39

FROM £39

Munich

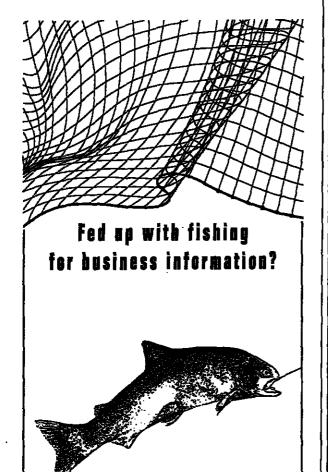
Barcelona

Madrid

Midweek Offer only valid on Tuosday, Wednesday or

Thursday, Bookings must be made by 31st March 1997

Rome

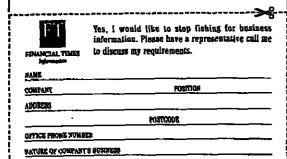


FT Discovery.

The instant way to book the information you need.

Do you waste time searching for the right information? There is a solution - FT Discovery. For company Information, business news, real time news and much more. It couldn't be easier. Simple to use. Online. At your desk. At a fixed price.

So if you want to stop fishing, call the PT Discovery information line on +44(0) 171 825 8000, email: ftdiscovery@ft.com or fill in the coupon.



overy information line on +44 (B) 171 825 8890 or email: fid

Burma growth likely to slow

comments surpassed that seen in the last bilateral

disagreement, which was also started by Mr Lee. The

its policy of preferential treatment for the Malay race

consider rejoining Malaysia if the latter country dropped

over the minority Chinese. James Kynge, Kuala Lumpur

senior minister said last June that Singapore could

Economic growth in Burma is slowing and the economic situation is likely to worsen over the next several years, according to a confidential report prepared by the International Monetary Fund. The growth rate in the fiscal year 1996-97 was 6.1 per cent, down from an average of 8.25 per cent in the four previous years.

Continued reliance on an overvalued official exchange rate and large fiscal deficits has caused the economic situation to take "a marked turn for the worse since April 1996", the report says. Foreign exchange reserves have fallen to \$213m, the lowest since the 1988 military coup, while debt service arrears accumulated, leaving over \$1.5bn outstanding at the end of the last fiscal year.

Without a one-off devaluation of the currency by more han 2.500 per cent, coupled with structural : growth would fall to 4 per cent by 2000, the current account deficit would increase by 14 per cent and foreign exchange reserves would cover just over one month of imports, the IMF predicts.

Indonesia cuts interest rates

Indonesia's central bank yesterday signalled a further relaxing of monetary policy by announcing a 50 basis point cut in its interest rates on money market certificates, the financial instruments through which banks borrow from the central bank. The across-the-board cut reduced rates on one-week money market certificates. from 15.25 per cent to 14.75 per cent, while the two-week rate dropped to 15 per cent and three, six and 12-month rates to 15.5 per cent. The move is seen as an attempt to curb an appreciation of the rupiah and improve export Manuela Saragosa, Jakarta

Bangladesh coup trial starts

The trial of 20 people accused of murdering Sheikh Mujibur Rahman, founder of Bangladesh, in a 1975 military coup started yesterday with all six who were brought before the court saying they wanted to retract their confessional statements because of alleged torture. The six, a woman and five men, include a former minister and three retired senior army officers. The remaining 14 accused are expected to be tried in absentia

The case was brought after Sheikh Mujib's daughter, Sheikh Hasina, took over as prime minister in general elections last June.

China pledges to focus on financial fraudsters

By James Harding

Criminal activity on China's fledgling financial markets soared last year, prompting the government yesterday to promise a crackdown on financial fraud in 1997.

Crimes involving shares, bonds and commercial paper increased 87.8 per cent in 1996 compared with the previous year, according to a report to the National People's Congress, China's parliament. Disputes over financial contracts rose by 32 per cent, evidence according to state authorities that financial irregularities have become "a serious problem A draft futures trading law

in China". The pledge yesterday by the People's Supreme Court, the highest court in the country, to focus on fraud follows revisions announced last week to the national criminal code to include

deriog and insider trading. Delegates to the annual meeting of the People's Congress in Beijing have committed China to maintaining the momentum of Deng Xiaoping's economic reforms, but are clearly alarmed by the rising white-collar crime that has

accompanied the conversion to a market economy. However, the Congress has yet to agree to a basic securities and futures trading law. The securities law, which was first considered in 1993, is still under revision. according to a report this week in China Securities. the state-owned newspaper.

was submitted to select Congress members last year, but awaits final approval. na's derivatives markets has been at a standstill since

tenced to 17 years' jail. Chinese authorities have reacted severely to other attempts at market manipulation on smaller commodities markets, which are particularly prone to audacious

attempts at price rigging. Over the weekend, the Shanghai Securities News, the official newspaper, reported that Jinma Futures had been suspended for six months from the market after allegedly cheating cli-ents by faking reports on trades of green bean futures on the Beijing and Zhengzhou futures exchanges.

A separate attempt to corner the market in green waits final approval. bean futures in Zhengzhou
The development of Chilate last year was foiled when an individual was found to have bought conbond futures were banned tracts far in excess of following a huge trading exchange limits by using crimes such as money laun- scandal in Shanghai in 1995. several false names.

lubby Manila exchange resists reform

Mr Wilson Sy, the chairman of the ano Nanagas, the exchange's presi-Philippine Stock Exchange, also owns a brokerage - Wealth Securi-ties - and has interests in two others. He sits on the board of Belle, a listed property and gaming group, and manages a mutual fund which last year yielded a 58 per cent return, more than three times greater than its nearest competitor. Most mornings he is found on the exchange trading floor, where the clubby atmosphere often blurs personal and institutional demar-

It is this cosiness which many argue is to blame for the resignations crisis which has rocked the stock exchange in the past week. Several key heads of departments - including compliance and surveillance, which investigates insider dealing - walked out amid

Don O'Callaghan, General Manager, Madge Networks Ireland.

dent who resigned at the we after five months in the job. Three have since returned.

More seriously, however, the departures followed the disclosure that the exchange had ended investigations into between seven and 10 brokerages for insider dealing and price manipulation without informing the Securities and Exchange Commission (SEC), the market regulator.

Mr Perfecto Yasay, chairman of the SEC, says he will start administrative prosecutions of those suspected of violations within weeks and will also withhold granting the exchange permanent self-regulatory status at least until it submits a regulatory plan and a new president is appointed.

reports of clashes with Mr Vitali- an uphill battle in deepening He admits he may have moved too area for reform. Even after win-

reforms which upset the status quo. Previous attempts to upset the applecart have proved difficult. In 1995, Ms Maricel Lopez, then head of compliance and surveillance, resigned after three kidnap attempts and numerous death

Brokers have a long way to go in understanding the new concept of self-regulation, says Mr Yasay, as evidenced by the latest catchword on the exchange of walang putis - and selling - had broken down. literally meaning "no cops", a wor-rying indication that self-regulation status may have been awarded prematurely.

Mr Nanagas says he tried to professionalise the exchange by introducing more transparent and ethical operations, clear lines of authority, tight standards, account-Mr Nanagas' successor will face ability, and technical competence.

The lack of transparency will be a serious problem for the new president. In January, the shares of several small mining and oil compa-nies shot past through the exchange's ceiling which limits daily price rises. Mr Yasay says when he requested details of the trading he was told the exchange's automated surveillance system -

quickly and ruffled feathers.

"It would be great to see a new president clamp down on manipulation of share prices and insider trading but I think it's unlikely because there are simply too many vested interests involved," says one foreign banker;

professional management of the first week of February. exchange remains another key

last week's elections to the bo non-brokers will only occupy tl of the 15 seats. Mr Roman Aza development council, says exchange must increase repre tation of both non-brokers institutional brokers to balance

100

influence of smaller, local hous Before its progress was ruwhich identifies brokers' buying interrupted, the exchange cruising steadily forward. December, the SEC granted it i porary self-regulatory status month later, the central deposit system was opened, paving way for increased investment f overseas. Rounding off the str of successes, the market then The influence of brokers on the an all-time high of 3,447.6 in

Justin Maro:

The bottom line

is Ireland

with ow deepens growing US unease over relations with Asian giant

customs unding scandal puts China on hold

克鲁德等,该有效是第二人

FREE WAY

Holly's Reg. 194 Sec. 1

₩\$4: \$2: ...

week transport

建设设施企业。

Herri Carriering

A STATE OF THE STA

Marie Care .

Section of the second

September 1

Koreto - - -

A Commence

E was

BOOK STATE OF

REAL .

F 1948 . 5. . .

See September

Marie .

维发展工作。

Bar and

Parity

ting the state of

S

Section of the section of

Acres 10 miles

and the second

Appendix and the second

3 5 ---

an and the second

to the second Bar House to i terésir.

£akh sarst a ¥60 age a sion graph in the

養養物のみん

Mark 18 Comment

40.00

20 50 ...

ompul

essa consta

A STATE OF THE STA

M Borne

Sech energy 1 11 has

Mario de La esta de la composición dela composición de la composición de la composición dela composición de la composición de la composición dela composición dela composición de la composición dela composición de la composición de la composición dela composición dela

Service - -

540 E

The state of the s

The state of the s

ding allegations that Beijing apted to funnel illegal camcontributions to US political es and candidates have added growing sense of unease in ington over US China policy.

Dan O'Flaherty of the mal Foreign Trade Council, a less and labour organisation, over the number of "imponples" operating simultaneously e aftermath of the death of Xiaoping, the coming transf Hong Kong on July 1, the ng US trade deficit and a new te in the US foreign policy lishment over the policy of gement".

s the worst possible time to notivations of the administrator be called into question by a to be called into question by a raising scandal," he says. it is hard to see what directhe debate or events will

> inese unhappiness is growing. foreign ministry in Beijing i in the US charge d'affaires week to complain about "mali-

Just a month ago, the adminis- trade status, which follows the Vice-President Al Gore to Beijing first time since President Bill Clinton took office. The policy was "to engage" on several levels simultaneously - trade and economics, nuclear proliferation, drug trafficking, human rights, Asia policy with more frequent meetings between senior officials on both

But there have been moves on Capitol Hill to take a hand in the game. Mr Dick Gephardt, the Democratic leader in the House, has introduced a bill requiring the administration to get congressional approval before approving China's membership of the World Trade Organisation. The House this week approved a bill outlining US concern about Hong Kong's reversion, requiring administration reports and presidential action if China fails to keep its promises on Hong Kong's autonomy.

A further complication could be the annual debate over the renewal of China's most favoured nation March 10 issue to an attack on

tration's course on China seemed Hong Kong transfer. The challenge set. High-level visits, starting with to Mr Clinton's policies has gone beyond the ideological alliance of this month, were to begin for the House Republican populists and Democratic liberals.

> Specialists call on US to stop Chinese attempts at 'hegemony'

The consensus among foreign policy experts was once heavily in favour of engagement; now many are castigating China as an emerging evil superpower.

Foreign Affairs magazine this month carried a piece by two veteran China specialists, Mr Richard Bernstein and Mr Ross H. Munro, warning that "America's number one objective in Asia must be to derail China's quest to become a 21st-century hegemon". The New Republic devoted much of its "destructive engagement".

majority, preoccupied with domesforeign affairs and China particularly. About one-fifth of the Republican membership travelled to Beijing during the last congressional break; Mr Newt Gingrich, the House speaker, is to make his first trip there later this month with a bipartisan delegation.

Perhaps typical of the congres-Fox, a Pennsylvania Republican. who recently returned enthusiastic about an agreement to establish a joint permanent parliamentary committee to work on common problems. "We found human rights concerns were blown up beyond reasonable proportions. There have been improvements, and there is interest by the Chinese leadership to move closer together," said Mr

He was struck by the sight of Chinese motorcylists wearing surgical masks against polluted skies. "They need our environmental

The new concern about Beijing dating them." Mr Fox and others arises just as the Republican believe all will depend on how the story of China's alleged campaign tic issues in the last Congress - financing plot develops. "There had begun to take an interest in could be terrible downside possibilities if it turns out they tried to interfere in US politics or people believe they tried to interfere," said one lobbyist.

A senior Republican staffer said: "The question of whether the administration has been for sale or rent feeds into the general question of its trade policies. The \$40bn sional tourists is Congressman Jon trade deficit raises another question - what the US gets from this relationship."

Mr Calman Cohen, of the emergency committee for American trade, a group of multinationals. has been leading the MFN renewal battle for years. He believes the administration's China policy could suffer a short-term setback.

"But after a month or two, there will be a return to the issue. Then members will ask a more basic question: What is in the US national economic interest? It is on ahead will be made."

An Argentine heroine in the making

By Jimmy Burns

vitá might have proved a global box-office hit, but in Argentina a quite different and rather more tangible political heroine is emerging. Mrs Graciela Fernández Meijide, a 67-year-old former French teacher, is on course to become a serious challenger to the presidency of Mr Carlos Menem.

"Evita came to power at the hands of a general - ber husband Perón. I entered politics against the gener als," says Mrs Fernández. She was speaking at the start of a short European tour that comes against the background of opinion poll ratings confirming her as one of the country's most popular politicians.

Polls make Mrs Fernández an easy winner in October's crucial mid-term congressional elections, in which she will represent the centre-left Frepaso alliance as the candidate for the province of Buenos Aires.

A win would strengthen her bid for the presidency in the next national election, due in 1999, after her strong showing in last year's Senate and local elections.

Mrs Fernández's popularity is based on impeccable democratic credentials.

Her life was shattered under the military regime in 1977 when the security forces broke into her home and arrested her 17-year-old son Pablo. He joined thou-



'I entered Fernandez: politics against the generals

sands of Argentines who "disappeared" without trial or trace.

Mrs Fernandez turned overnight into a human rights activist, becoming a leading member of the commission investigating the abuses of the military junta after the return of democ-

She has built up a political platform based on an increasingly outspoken opposition to the Menem govern-

"In Argentina, democracy is in danger of being eroded again," she said this week.

"There is growing social unrest and a widespread feeling of insecurity because of the government's economic programme, the lack of an independent judiciary, and an endemic corruption at official level."

Cuts secure a landslide victory in Alberta

emard Simon in Toronto

ch Canadian province of ta, has proved that fiscal dis-1e and electioneering without h promises can do wonders for itician's popularity.

Klein's Progressive Conservabounded to a landslide vicin elections held on Tuesday. fories won 63 of 83 seats in the ncial legislature, up from 54 previously. The opposition als fell from 29 to 18 seats.

Mr Klein, an avuncular former TV reporter and mayor of Calgary,

his word. Under his leadership, the Alberta Tories pioneered a wave of fiscal restraint that has swept across Canada over the past five years. They have turned a record budget deficit into an expected C\$2.2bn (US\$1.6bn) surplus in the fiscal year ending on March 31, the third

The turnaround was helped by rising tax revenues, boosted by talph Klein, premier of the ran a low-key campaign, built strong prices for oil, natural gas around the image of a and wheat, the three mainstays of down-to-earth politician who kept Alberta's economy. But the Tories also cut deeply into public spending, including such sensitive areas as healthcare, welfare and education. They have also privatised many government agencies and

> to the issue of birth certificates. Alberta's economy is expected to outperform the other nine prov-

services, from liquor distribution

rate of about 3.5 per cent. Although Albertans make up only about a tenth of Canada's workforce, the province accounted for one-third of new jobs created last year. A growing number of companies

have moved to Alberta, especially Calgary, attracted by the lowest tax rates in Canada. Alberta is the only province without a retail sales tax. Barring a slump in commodity prices, Mr Klein's challenge in his second mandate will be to forge a consensus on the role of governinces this year, with a real growth ment in an era of prosperity.

A balanced budget and debt retirement act requires budget surpluses to be used to eliminate the province's debt, expected to be achieved early next decade. However, rising public disquiet over health services recently led the Tories to loosen the spending reins in that area.

At least seven of Canada's 10 provinces are expected to post budget surpluses this year. The two biggest. Ontario and Quebec, have pledged to balance their books by 2001 and 2000 respectively.

but to Romanaming IERICAN NEWS DIGEST

⁷enezuela anger n corn imports

governors of three of Venezuela's key agricultural es have banned imported corn in support of local lucers unable to sell their more expensive crops on domestic market. Angry farmers have been -sacking trucks carrying imported maize. r Iván Colmenares, governor of the state of uguesa, said this week: "We want our domestic cultural production to be used by the national essing industries, and we won't lift this ban until otiations resume between the government, and incers and processors of grains.

r Hiran Gaviria, president of Fedeagro, the cultural federation, said: "We have a few large orters distorting the market and harming tens of sands of domestic producers." According to Fedeagro, cost of imported yellow corn, mostly from the US, is ut \$200 per tonne, while domestic sorghum costs \$276

mong the principal industries affected by the import are Empresas Polar, the food and beer Raymond Colitt, Caracas

growth 'moderate'

US economy continues to expand "at a relatively derate pace", according to the Federal Reserve's Beige k survey of current economic activity. etail sales were up in most of the country compared a a year earlier, and most regions reported high levels nanufacturing activity, with only pockets of weakness he survey said that tight labour market conditions sisted throughout the country, but added that wage is remained moderate, showing "no signs of breaking of the 3-4 per cent range that has been cited in the last

he survey found "pockets of persistently upward wage as", mostly related to high-technology and aircraft ors. Inflation appeared to remain tame, the Fed said. he survey will help the Fed prepare for its March 25 cting to plot monetary strategy. AFX, Washington

loney laundering accord ligua and the UK have signed an agreement to combat

ey laundering and drug trafficking, as part of an irt to tighten controls of the island's offshore banking tor which has been said by British. US and Canadian horities to be a haven for money launderers. he eastern Caribbean island, which recently signed a

llar pact with the US, said last month it was closing of six Russian offshore banks, which local officials were suspected of laundering "hundreds of millions dollars" for the Russian mafia. Most of the island's 57 hore banks are US-owned.

he agreement provided for a wide measure of mutual stance between the governments of the UK Antigua and Barbuda in the investigation, restraint confiscation of the proceeds and instruments Time, a statement by the Antiguan government

xchanges plan 24-hour trade ex, the New York Cotton Exchange's currency futures

l options market, is to link up with the Malaysia netary Exchange to create a 24-hour trading operation. he move, announced yesterday, will initially involve currency contracts which are traded in New York and blin. But Finex said it planned to introduce four new lar indexed futures contracts based on the Malaysian git, Indonesian rupiah, Singapore dollar and Thai

We would like to mirror our Dublin success in the en region, where no futures market for local rencies now exists," said Mr Charles Minaar, NYCE for vice-president for marketing and product elopment. No date has been announced for the John Murray Brown, Dublin

New Yorkers are happier about their city than they

e been in a decade, according to a poll published

terday. Half of those surveyed said that even if they the option to move out of the city they would not if was the highest response to the question in more n a decade, the New York Times said. hirty-four per cent of those surveyed by the newspaper life in the city has improved in the last four years, up n 10 per cent in a 1993 survey.

Court upholds 2,900% phone cost rise

By Joanna Tuckman

refused to suspend a 2,900 per cent increase in the cost of local telephone calls. The rise last month was to help prepare for the sale of 95 per cent of the state-owned telecommunications company scheduled for mid-June.

state modernisation commissioner, expressed satisfaction and relief at Monday's ruling. But the failure of the case, brought by Mr Jorge Garcia, the national human rights ombudsman, does not completely clear the route to

company is the linchpin of an ambitious programme announced earlier this year. The programme also affects the electricity sector, railways, ports, airports, postal service, tourist board and Agricultural Develop-

Even the most vehement opponents of privatisation accept that the process is unstoppable but there are still potential obstacles Last week the ruling

National Advancement party's majority in Congress ensured the approval of reforms to the contracts and sales law, opening the way for the transfer of all state concerns to private sector control with minimal procedure requirements. Opposition parties have

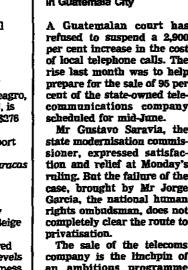
said they will take the reforms to the Constitutional Court. They argue that the modified law disregards the need to safeguard consumers. They also complain that the legislation gives government officials the power to sell off state assets or grant concessions

Ms Nineth Montenegro, of the leftwing minority party New Gnatemala Democratic Front, says the objective is not to stop privatisation but to win "compensatory measures".

"Privatisation is a fact, but perhaps we can force some price regulation and recognition of the need for a strong state to run alongside respect for private enterprise," she says.

movement is uniting around the privatisation issue and sure is also growing on the former leftwing guerrillas to take a stance. They are currently preoccupied with demobilisation following a peace treaty signed at





Abu Dhabi turns up the gas in \$10bn project

Western engineering groups line up to bid for contracts as Gulf state moves to develop its gas fields

sumption of electricity. production by Opec quotas, have led Abu Dhabi's National Oil Company (ADNOC) to initiate a crash programme to expand gas

Although better known for having the world's third largest proven oil reserves after Saudi Arabia and Iraq, Abu Dhabi, the richest of the UAE's seven emirates, also has the world's fourth highest reserves of natural gas, after Russia, Iran and Qatar.

The emirate's gas consumption has doubled in the last decade to 1.75bn cubic feet a day (cfd) and is expected to rise to 3bn cfd by 2000 and 4bn cfd by 2005. But the economics of Opec produc-tion quotas, by which the UAE is limited to 2.16m barreis a day (b/d), also provide an incentive to develop gas

Abu Dhabi's oil production capacity is 500,000 b/d above its 1.9m b/d production. Developing gas helps increase exports of condensates which are not subject to Opec quotas.

In just six months, ADNOC has committed itself

coaring domestic con- or modernise on- and off- is proving to be a bonanza shore gas extraction and dis- for western process and and restrictions on oil tribution systems; to power engineering compaadvance the development of nies with \$2.7hn worth of on- at Habshan, directly over the Ruwais, on the Gulf coast and off-shore gas-enhance- giant Bab oil and gas field. west of Abu Dhabi, into an ment and expansion conimportant export base for tracts on the "fast track" to petrochemicals; and to turn be awarded this year, and Taweelah, site of an \$8bn power station being built by Asea Brown Boveri and Belgium's Six Construct north of the capital city, into a gasbased industrial zone.

more than \$3bn worth of additional work to develop petrochemicals and upgrade the refinery at Ruwais.

First of the "fast track" schemes is the second phase

development programme (OGD-2) centred on the onshore natural gas complex

take 1.15bn cfd of wet gas as Chiyoda with Mitsubishi. well as 1,800 tonnes a day of natural gas liquids (ngl), project, and closely linked to 30,000 b/d of condensate and OGD-2, is the \$700m on-shore over 800 tonnes a day of sulphur. Vapourised sweet gas will be piped to the Tawee-

Engineering, procurement and construction (EPC) bid documents could go out as early as next month. The leading contenders are

The second "fast track" gas-enhancement scheme at Asab, to be completed in two maintain pressure. years. Mr Abdul Aziz Al-

ness planning at ADNOC's processing directorate, says the Asab development will process nearly 825m cfd of associated gas and produce OGD-2 calls for three or France's Technip, Italy's up to 100,000 b/d of condenfour gas processing trains to Snamprogetti and Japan's sate for processing at the Ruwais refinery. Gas will also be used as feedstock for Ruwais's industries, and associated gas re-injected into the Asab reservoirs to

Construction bids are at

Dubai may buy gas from neighbour committed; or Qatar. Officials there however have indicated that Qatar will not consider supplying gas to Dubai until 2005 at the earliest. Qatar is too busy with its own much

larger gas-export projects. That leaves Abu Dhabi, the nearest and most logical source. The industry consensus in both places is that Abu Dhabi will not let Dubai down. But a lot of technical and financial leg-work needs to be done before Dubai and Abu Dhabi reach agreement on quantities; and. equally important, on pricing. The view in Abu Dhabi is that Dubai should focus on conserving energy,

leading contenders are Snamprogetti, Technip, and Chiyoda. The contract award is expected within the next

The third of the three "fast track" schemes is the \$800m-\$1hn programme to process over 500m cfd of gas from the Khuff gas zones in the Umm Shaif and Abu Al Bukoosh regions and pipe it to Taweelah, with some of this, according to official sources outside ADNOC. being piped on to Dubai's Jebel Ali. Front-end engineering and design bids are "imminent" according to industry sources in Abu Dhabi. Leading contenders are the UK's Kvaerner John Brown, the UK office of Bechtel, and Brown & Root

"slower track" programmes which will be complete in three to five years is the \$1.5bn joint venture between ADNOC and Copenhagenbased Borealis to build an ments of the five proethane cracker at Ruwais to grammes, so that produce 600,000 tonnes per annum of polyethylene. Borealis is a joint venture between Norway's Statoil power and feedstock.

and Finland's Neste Oy. Abu Dhabi's International



Petroleum Investment Company wants to buy out Neste Oy's share in Borealis which industry analysis say "makes good sense as it would give Abu Dhabi a foothold in the European market to control its own sales."

The \$2.5bn expansion and modernisation programme at the Ruwais refinery will be done in three phases over five years. The plan is to double the plant's crude processing capacity from 135,000 The first of the two b/d and to upgrade it so as to increase production of mid-

The challenge for ADNOC is not lack of funds but synchronising the various elepetrochemical and power plants are not left standing without essential gas for

Robin Allen

least in public - how these new industries, hotels, and services will be funded or from where the energy will come for the required electricity and feedstock. Offshore oil production, the

mainstay of government revenue, is reported to have declined by a third over the past five years to 270,000 b/ d; a lowly level by Gulf standards. To save money, the government has recently sent home 3,000 Omani

confidently of continuing buoyant

economic growth but do not say – at

soldiers, a quarter of the enlisted In private, senior Dubai officials assume Abu Dhabi will provide gas

for the energy requirements. Senior diplomats concur to the extent that Abu Dhabi's ruler and UAE president Sheikh Zayed Bin Sultan Al-Nahyan has "given instructions" for Dubai to receive 800m cubic feet per day of gas. But the timing and the precise quantities have yet to be determined by Abu Dhabi's supreme

Abu Dhabi National Oil Company's plans go no further than providing 500m cfd to the Taweelah power plant. A pipeline to Jebel Ali is not even on the drawing-board. Municipal and government economic department plans have been based on estimates of 5 per cent annual growth in power needs

According to industry sources demand for lighting and cooling is growing by more than three times the official estimates of 5 per cent a

Last year, a gas re-injection programme at Dubai's Margham on-shore gas and condensate field helped Dubai weather a breakdown in gas supplies from Sharjah on which it depends for all its current needs. But Sharjah's reserves are too small for long-term supplies, without which Dubai cannot invest in new heavy industries.

Other potential long-term suppliers are Iran, which is politically difficult; Oman, whose

US rebuffs Japanese on telecoms

By Michiyo Nakamoto

their international busihold by the US, in a move that could increase trade friction in the sector.

tions Commission (FCC), the operations in response to US telecoms authority, has growing global competition. told NTT, Japan's largest their US business plans has US relatively quickly. been delayed due to opposition from the US Commerce and State Departments and the US trade representative.

The delay, which has surprised the Japanese carriers, is believed to follow US unhappiness over Tokyo's plans for telecoms deregulation and with the procurement practices of Japanese

NTT, which will be allowed to enter international telecommunications markets within the next few years, was informed by the FCC that a licence to provide telephone and data transmission services, which it had applied for in January, would not be processed immediately, as expected, but would be subject to com-ments from interested parties, such as the US telecoms

KDD, which had applied Lex Comment, Page 16

for a licence to expand its international resale of leased Plans by Japan's largest the US and to begin a resale telecoms carriers to build up of regular telephone line services in the US, was also nesses have been put on informed that the licences would be delayed.

The FCC decision comes as Japanese carriers prepare The Federal Communica- to beef up international

It informed KDD at the carrier, and KDD, the coun- end of January that it would try's largest international win approval to expand its operator, that approval for leased line services from the

We are very surprised by the decision, which is extremely regrettable. It is unreasonable not to approve the expansion of a business that we have already started," a KDD official said

Although neither company received an explanation from the FCC for the delay. other than to note there was opposition from the relevant US departments, Washington intends to target telecoms as a key trade issue

Last month, as the international community agreed in a landmark World Trade Organisation accord to liberalise telecoms markets, the US complained that Japan should lift curbs on foreign ownership in NTT and KDD, which has been kept at less than 20 per cent.

Plea on Nafta trucking delay

By Nancy Dunne In Washington

the US-Mexican border are repeated for products going urging President Bill Clinton to resolve remaining obstacles preventing implementation of the long-delayed ble, said a Mexican embassy cross-border trucking provisions of the North American Free Trade Agreement.

At the behest of trucking unions, the US cited safety concerns and delayed the start of cross-border trucking, originally scheduled for December 1995. A second deadline, allowing buses border states wrote to Presifreely to cross the border, dent Clinton urging action was missed last January.

The senators, led by Mr John McCain, chairman of the commerce committee, wrote to the US president to complain about the administration's relative silence on the issue. They warned of "a widespread perception that an entire year was lost while other interests delayed the administration from achieving sustained progress on this issue".

Talks to resolve US safety concerns have been under way in a bilateral land transportation standards committee. which has been negotiaopen trucking trade. Cur- April 11-12.

rently, goods from the US must be unloaded at the border and transferred to Mexi Senators from the states on can trucks, with the process north.

The economic conseofficial. Costs are higher and border congestion made worse. US-Mexican trucking alliances and fleet investments, which were planned before the impasse, have been put on hold.

Two months ago, the gov ernors of four south-west on trucking. The complained that the delay "robs the entire US-Mexico border region of the full economic benefits that Nafta promises". They have yet to bear from the president.

It was believed that the administration would announce a settlement on trucking before the departure from office of former transportation secretary Frederico Peña. That did not happen, and momentum was

However, a new opportunity for political pressure to drive events will arise when ting various technical the president makes his matters in an attempt to scheduled visit to Mexico on



Mutual Fund Services

Global Custody

Investment Management

Pension Fund Services

Investment Information Services

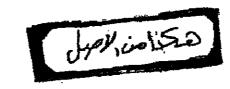
Cash Management

Currency Management

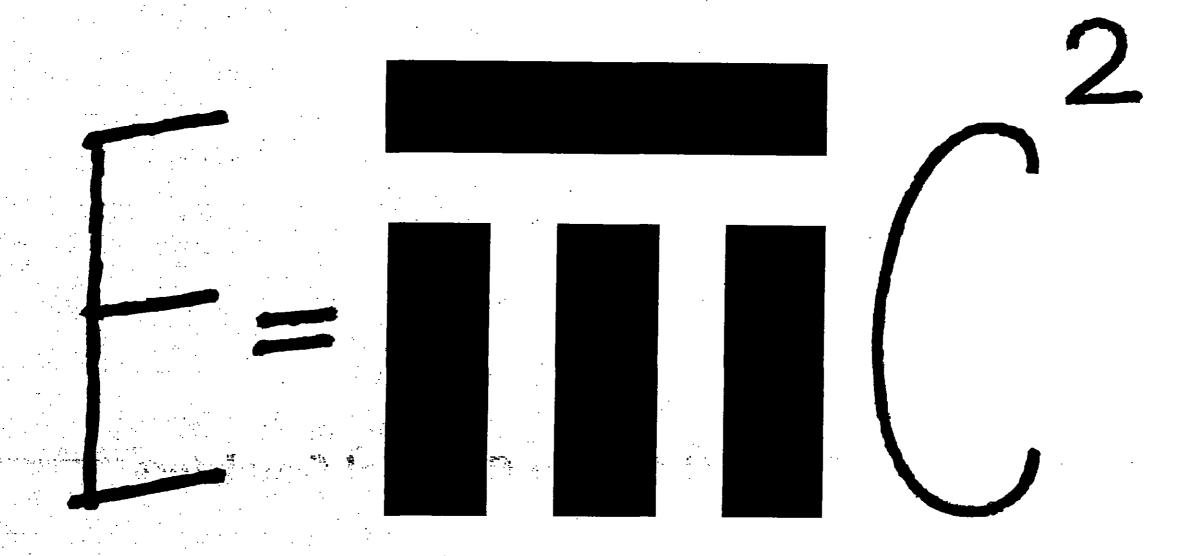
Securities Lending

i tough

focus dsters



FINANCIAL TIMES THURSDAY MARCH 13 1997



The general theory of risk is a little more complicated.

The workings of the universe can be summed up in a relatively simple equation. Unfortunately, no such elegant formula exists for calculating risk.

Yet as insurer to the insurers it is in our interest not only to take on risk but to get to grips with it - as far as the laws of probability allow.

That's why Swiss Re carries out risk research - at the highest scientific level.

We've set up our own University of Risk with some of the brightest minds from a broad range of disciplines: mathematicians, biologists, economists, physicists, physicians, chemists, lawyers,

geologists, engineers and agronomists, to mention just a few.

They develop models and scenarios which give our clients a clearer picture of the risks they're up against. And help us assess more accurately what the future might have in store.

After all, as one of the world's leading reinsurers we must be as well versed in the theory of risk as we are in the practice of risk management.

If you want to know more about the business of risk, ask for our special literature by faxing +41 1 285 40 98. Or visit our Website at www.swissre.com

Swiss Re

Opposition warned on wage plan

By Robert Taylor, Employment Editor

The main opposition Labour party is being warned by its own experts that a national minimum wage would do little to improve the position of the low paid or reduce inequality unless accompanied by a sweeping reform of in-work benefits and tax cuts

for the poor. The calculation by Dr mist at Cambridge University, will test the credibility ment to the policy, which will not have a specific about two years. At that ure of \$4.30 an hour.

Manufacture

of fast tractor

picks up speed

Export demand underpins JCB's

fastest in the world likely to increase by 20

export.

\$19.5m investment in factory

farm tractor which is

claimed to be the

could soon be rolling off the

production line at twice its

present rate, if plans by

J.C. Bamford Excavators, the

privately owned engineering

twice the speed of conven-

group, come to pass.

Pay Commission will report what the figure should be. She estimates that families

on low incomes would receive as little as 3p for every additional 100p/£1 (\$1.63) an hour in earnings. because a rise in their pay would be offset under the present system by tax increases and cuts in benefit.

A family with two small children with one wage-Holly Sutherland, an econo- earner working a 38-hour week would be only £1.05 a week better off on a miniof the leadership's commit- mum wage of £3.75 a week, and £1.72 a week better off if the minimum wage was the hourly amount attached for Trade Union Congress's fig-

tating and show how little effect a minimum wage would have on improving earnings," said one union leader last night.

Her asses Mr Ian McCartney, Labour's employment spokesman, is lobbying selected employers. such as Whitbread the brewer, and Northern Foods, which he believes are sympathetic to the plan. In a bid to counter Conser-

vative claims that the plan would destroy jobs, add to employers' costs and shut many small businesses, Mr McCartney is campaigning for a public pledge of support during the election cam-

paign. He has written to a way which promotes the solicit backing for a six-point set of promises. The final minimum wage

plan has been approved by Labour leader Mr Tony Blair this week but the confidential recommendations are not planned for publication. The document argues that the national minimum wage must be seen as part of a wider "welfare to work" strategy involving changes in benefit and a rise in the marginal tax rates for the low paid to close the poverty

The business pledge for which Labour is seeking support promises the minimum wage will "be introduced in

competitiveness of business and ensures fair competi-

In a deliberate move to reassure business on the level of the wage, it says that the "decision on the level of the minimum wage will involve significant representation from members of the business community" They would participate in the Low Pay Commission, it

The Labour party hopes that up to 100 companies will sign the pledge; so far, about 30 have done so.

Labour's first Budget

restless over poll date

FINANCIAL TIMES THURSDAY MARCH 13 1997

Kvaerner loses

by the General Electric Company, has beaten Kvaerner Govan on the Clyde, near Glasgow, to a £200m (\$326m)

order for two Royal Navy oil tankers, leaving Kvaerner

facing heavy redundancies and possible closure within a

The decision was taken at a small cabinet committee

orime minister, with Mr Michael Forsyth, the chief Scot-

ish minister arguing strongly that the work should go to

Kvaerner, and Mr Michael Portillo, the chief defence min-

ister, supporting Barrow. Mr Major eventually backed Mr

The MoD said the contract had been awarded on value

for money grounds, but Mr Ian Davidson, the opposition

party Labour MP for Govan, last night accused VSEL of

80ha of derelict land earmarked for a 6.500-job industrial

tion agency English Partnerships. AES Electric, a subsid-

iary of AES Corporation, already operates a power station

on the river Medway in Kent and is building AES Barry

Governor would not bet on delay

Mr Eddie George, governor of the Bank of England, the UK central bank, last night warned against betting on a

England, he said: "I would not at this stage care to put

much money on the outcome - cantral bankers are a nat-

urally cautious breed. But the prudent planning assump-

tion is that monetary union probably will go ahead." He

said countries should not be admitted to Emu unless they

achieved sustainable convergence but he acknowledged

that "at the end of the day it is a political process - and

no one should underestimate the political determination

on the Continent to proceed according to the Treaty time-

He reiterated the Bank's preference for a 0.25 percent-

age point rates rise, from 6 per cent. Wolfgang Munchau

Britain's industrial economy remains locked in a phase of

slow expansion, according to data from the Office for National Statistics, which showed an unchanged monthly

annual basis compared with 1.7 per cent in December.

Manufacturing output, generally considered a better indi-

cator of underlying trends in the economy, went up by 0.3

per cent during January, making for an annual increase

of 1.8 per cent. The three-month moving average trend in

since September, mainly the result of the appreciation of

sterling against other currencies. Wolfgang Munchau

manufacturing output suggests a slowdown in growth

Abolition 'would cut revenue'

The abolition of duty-free regulations in 1998 would

report by National Economic Research Associates.

reduce revenues to the UK exchequer, according to a

tax-free industry, said: "We believe the study makes a compelling case which will enable politicians of all parties

and the European Commission to see the value of keeping

The report forecasts that annual duty and VAT receipts

Michael Peel

Data suggest slow expansion

rate of industrial production during January.

At a bankers' dinner in Liverpool, in north-west

near Cardiff, in south Wales.

■ MONETARY UNION

delay in monetary union.

■ INDUSTRIAL ECONOMY

■ DUTY-FREE REGULATIONS

redevelopment project by government-funded regenera-

meeting late on Monday chaired by Mr John Major, the

\$326m order

UK NEWS DIGEST

By George Parker and John Kampiner

minister, was yesterday under pressure from senior general election date this week, as the government ig controversy over abattoir hygiene. With Conservative MPs

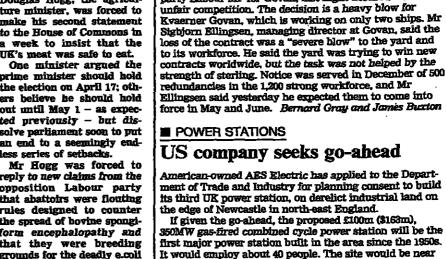
increasingly restive, Mr Douglas Hogg, the agricul-ture minister, was forced to make his second statement to the House of Commons in UK's meat was safe to eat. the election on April 17: others believe he should hold out until May 1 - as expected previously – but dissolve parliament soon to put an end to a seemingly end-

licences where necessary.

But his hard line was

Although slaughterhouses have been prosecuted for breaching rules to stop the spread of BSE, none have faced legal action on basic

cult of circumstances.



that abattoirs were flouting rules designed to counter the spread of bovine spongiform encephalopathy and that they were breeding grounds for the deadly e.coli organism, which recently caused several deaths in Mr Hogg said he intended

to take tough action against offenders. He had told the Meat Hygiene Service - set up in 1995 to police abattoirs - that "in appropriate cases infringement of the rules should result in prosecution", with revocation of

undermined when the agriculture ministry admitted for the first time that no abattoir had been prosecuted for breaches of hygiene rules since the MHS was set up.

Labour expressed amaze ment that slaughterhouses had escaped any legal action until now, in spite of repeated warnings over two vears that carcases were being infected with faeces, the prime source of e.coli.

hygiene grounds. Many Conservatives prihave been sacked for his handling of the BSE crisis and the abattoir standards row were it not for the proximity of the election. The prime minster's office said Mr Major felt Mr Hogg had done his work "extremely effectively in the most diffi-

Mr Gavin Strang, Labour's spokesman on agriculture, said Mr Hogy had shown a woeful inability to get to grips with abattoir standards. Mr Paul Tyler, agriculture spokesman for the Liberal Democrats, the second-biggest opposition party, called for a public



Sir Anthony Bamford: pledges to continue spending heavily on new product development

JCB says the use of its The Fastrac machine can machines on farms can douzip around fields and roads ble the productivity of the at up to 80kph - at least average tractor driver. Tasks such as crop spray tional tractors - though it is ing could be completed in likely to spend most of its half the time which is possi-

for fast tractor production is

or 30 during the next few

More than half the current

Fastrac production is for

time at a more sedate pace of ble using conventional trac-The vehicle's high speed is The investment in the fast made possible by a novel tractors, which were first suspension system, similar produced in 1991, is part of a to a car's, which provides a plan by Sir Anthony Bamford, chairman and managcomfortable ride even over ing director of the company. bumov terrain. JCB is spending £12m to increase sales of the JCB (\$19.5m) on a new factory at group from about £750m last

Cheadle in the English Midyear to close to £1bn by lands, and by 1999 the facility is expected to double its Most of the expansion production of the £50,000 would come from increases Fastrac machines from last in sales of the company's

which it has become best JCB is the core manufac-

turing company of a group of interrelated businesses owned by Transmissions and Engineering Services Netherlands. This is a Dutch-based holding company in which Sir Anthony and his family are the shareholders.

back-hoe loaders and related sales have more than dou- are among the fastest grow

construction machinery, for bled since 1992, with much of ing areas of the tractor industry. the expansion coming from exports. which make such vehicles

Sir Anthony promised "more of the same", with a continuation of the policy of spending heavily on new product development - an area in which JCB has invested some £100m since

Tractors which use novel suspension systems to allow The JCB group's total them to travel at high speed

However, according to JCB, neither of these companies' vehicles can reach the

top speed of Fastrac. Peter Marsh

Other tractor companies

include Germany's Fendt,

owned by Agco of the US,

and Deutz, also of Germany

and part of the Italian Same

Biotech sector shows strong growth

By Daniel Green in London

The growth of the UK's biotechnology industry will he underlined today by a report that shows the number of companies in the sector looking for new drugs has more than doubled in the past two years.

Employment in the sector has also doubled, but the numbers are too low to have had a significant impact on unemployment, according to a report from Arthur Andersen, the accountant and management consultant. However, the study warns

Prices for electricity determined for the purposes of the electricity pooling and getdenbork groungscents in England and Wales

an additional £1bn (\$1.63bn) of funding in the next two years. The industry also faces uncertainty over European Union patent laws for biotechnology, which are under review.

The report says there were 221 UK biotech companies employing 10,590 people in 1996. Their total revenue was £700m. This includes those in agricultural biotech, drug discovery and diagnostics, as well as suppliers.

The figures for the overall industry are up by about one third from 1994 and should grow another third by the the sector's continued end of 1998. Drug researchgrowth depends on finding ers are the biggest group.

By Bernard Gray,

It is to survive.

fence Correspon

Sir Robert Walmsley.

Britain's chief of defence

procurement, has written to

his French and Italian coun-

terparts, saying that the

£7bn (\$11.4bn) Horizon air

defence frigate programme

must be radically reformed if

The tri-national frigate

project is in deep trouble, with Britain unable to agree

with its Italian and French

partners upon the capabili-

Ir Patrick Mayhew, a classic

ttes and cost of the ship.

with 78 companies employmatch those in the US biotech sector", says the report. biggest UK companies match some of those in the US top 20; the five next largest

match some in the US top 50. The biggest UK companies are British Biotech, Celltech and Chiroscience. They raised £1.1bn from investors in the 18 months to December 1996. Arthur Andersen suggests this will have to be repeated over the next two years to pay for research and development and "strategic

> acquisitions". The report says the sector

Officials say that a break-

through is needed soon if the

project is not to collapse. Sir

Robert has written to the

other nations warning of the

Britain is producing con-

tingency plans to adapt the

design of its 3,500 tonne Type-23 anti-submarine frig-

ates to meet the needs of the

Horizon air defence ship.

much larger 6,000-tonne

The UK is also looking at

licensed production of the

8,500-tonne US Arleigh

Burke destroyer for missile

defence of convoys.

dangers of the deadlock.

should not be seen as likely ing 4,870 people. They "can to generate many new jobs, but as offering "greater wealth creation potential as By market value, the five a means of enhancing competitiveness across a wide range of industries".

The growth is the result of several factors: Easier access to capital through venture capital funds, changes in stock exchange listing rules, the creation of the Alternative investment Market and Easdaq, the European market run in the same way as Nasdag, the US computerised exchange.

The Horizon programme is

already four years behind

schedule, and the UK needs

12 of the frigates from 2004

destroyers built in the 1970s.

If the difficulties are not

resolved soon, the UK will

have to develop an alterna-

France wants four such

frigates to protect its new

nuclear aircraft carrier, the

Charles de Gaulle, due in

service in 1999, and Italy

settle for a cheaper, less

France and Italy would

wants six patrol frigates.

tive ship.

to replace its Type 42

ogy through grants and awareness-raising pro- Better links between academic and commercial science.

 Outsourcing of research by drugs companies. The creation of the European Medicines Evaluation Agency, which approves drugs for the EU. Biotech companies not

involved in drug development grew more slowly between 1994 and 1996. In agricultural biotech, the number of companies rose 41 per cent and in diagnostics • Greater government 25 per cent. The number of commitment to biotechnol- suppliers fell 9 per cent.

UK is insisting on a ship

which could defend a wide

The project is complicated

further because the ship's

missile and radar system is

being developed by a sepa-

rate office to the ship's hull

and command system, with

co-ordination between the

Britain also wants the ship

to be procured by competi-

tion, while the French and

Italians favour traditional

The UK's Ministry of

work-share arrangements.

two said to be erratic.

The report estimates that the profits of UK retailers and manufacturers of goods sold duty-free would fall by £280m (\$456.4m) and £65m respectively and that 1,500 jobs could be lost. Lord Rees, the chairman of the Duty-Free Confederation, which represents companies in the duty-free and

Tri-national frigate project in jeopardy

was committed to the Hori-

zon programme under the

agreements that it had

already signed. However, it

admitted that there were

Robert was in regular con-tact with the French and

Italian ministries but that it

would be inappropriate to

Horizon was led by Sir

Robert when he was control-

ler of the navy, before he

was promoted to chief of

comment further

defence procurement.

The department said Sir

■ INCOMES FORECAST Skilled 'set to earn more'

duty-free and tax-free shopping."

will fall from £550m to £120m.

Falling unemployment and growing skill shortages will soon start to drive up pay awards, according to Incomes Data Services, the pay research body. It said unemployment was now dropping towards 2 per cent in several areas of the UK -levels not seen since the late 1980s.

Although shortages were already pushing up awards for information technology specialists, IDS said the tightening labour market had yet to exert widespread pressures on pay. IDS said one restraining factor was that the finance sector, which in the last boom led the way in poaching staff and bidding up salaries, was still shedding jobs through technological change as well as mergers and

Tory trouper prepares to withdraw from N Ireland

After five years in one of the most thankless jobs in British politics, Sir Patrick Mayhew is to retire as an MP

issues relating to the province. Lords. Both are closely allied to

exponent of a dying breed of Conservatism, bowed out of frontline politics yesterday with the final Anglo-Irish summit before the general election. The intergovernmental conference in Dublin marked the last

set-piece event in Sir Patrick's five years as Northern Ireland secretary - arguably the most thankless job in UK politics. Sir Patrick announced last year he would stand down as an MP at the election. Whether or not his party wins, his like will seem even more out of place on what may be the increasingly ideologi-

liament Friend and foe alike consider his record mixed, seeing him as a Mr John Major, the prime minisvictim of the peace process as ter, has been heavily involved in Lord Cranborne, leader of the

cal Tory benches of the next par-

much as one of its driving forces. An ardent pro-European and "one nationer". Sir Patrick has been the object of a whispering campaign by others in the cabinet. He was incensed by a story planted in a newspaper a year ago suggesting he wanted to stand down immediately.

The truth was that some colleagues wanted him out, fearing he would make "one concession too far" to Sinn Fein, the political wing of the Irish Republican Army, in an effort to persuade the group to restore its ceasefire. Bis problem - perhaps one that goes with the job - is that he has managed to infuriate just about

every interest group connected

with Northern Ireland. Although

Sir Patrick usually took the flak powerful unionist lobbies. during crises. It was he who, shortly after the IRA ceasefire of August 1994, devised the so-called three Wash-

ington principles, making a physical handover of weapons a precondition for Sinn Fein's entry into talks on the future of the province. These were seen by some as an unnecessary snub to the republicans. He was similarly accused of betrayal by the pro-British unionists for agreeing with Dublin joint framework documents which enshrined a limited role for the Irish Republic in

the affairs of the north. That affair increased tension in the cabinet with Mr Michael Howard, the home secretary, and

Sir Patrick has often been hamstrung by his cabinet colleagues and was particularly galled by Mr Howard's refusal to transfer republican prisoners from England to Northern Ireland. Cabinet rightwingers also persuaded Mr Major, against Sir Pat-

capable frigate, while the Defence said yesterday it

rick's wishes, not to endorse the main recommendations of a committee under former US senator Mr George Mitchell which would have allowed the peace process to get round the arms problem.

The nadir in Sir Patrick's recent fortunes, and those of Northern Ireland, came last July with the fiasco of Drumcree. Sir Patrick had to answer for the sudden U-turn of the police in multi-party talks. Sir Patrick has

parade past a Catholic estate which led to weeks of rioting and devastated community relations. That affair increased suspicions

among nationalists that, with the government's parliamentary majority disintegrating, ministers were more keen to keep the nine Ulster Unionist MPs loyal than to, in Mr Major's own words, "take risks for peace". Cabinet hard-liners saw the resumption of IRA bombings last year as a vindica-

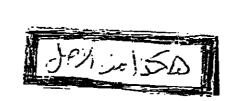
Once again, the sides have withdrawn into their bunkers: put on hold until after the elec-tion. Mr Mitchell returned to the US last week after eight months' fruitless effort at the helm of the allowing Protestant marchers to sometimes seemed to have the air

of a man who is demob happy. Dublin, which took some time to get used to his clipped upper class accent and mannerisms, is effusive in its personal praise. "His dedication and integrity have been steadfast," said an official. "History will look kindly on his contribution."

Labour has been "constructively critical" of Sir Patrick. "He has demonstrated outstanding patience and determination and managed to keep the peace process on the Westminster agenda. said Ms Marjorie Mowlam, his opposition counterpart and most likely successor if Labour wins the election. "But everyone should take responsibility for the failure to take it forward."

John Kampfner





NEWS: INTERNATIONAL

Tough budget recognises demands imposed by a return to world economy

frica relaxes forex curbs

in Cape Town

MAR PRANTE

美華、マン・シーン

M

M

K

د تنسفنگه

Dr. Co

養変 きつぶ

辛食 もだりなり

■ 砂 大しこ

ME SAN THE CO.

BR COLUMN

🖛 🖦 🙃

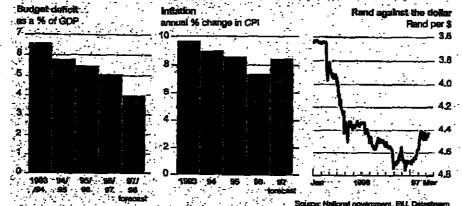
FARST May a ...

South African government yesterday announced a further modest relaxation of foreign exchange controls in a budget described by Mr Trevor Manuel, the finance minister, as evidence of its determination to achieve greater social justice while living within its means.

From July 1, South Africans will be able to invest an unspecified proportion of their capital overseas, or to hold foreign currency in domestic banks. South African companies will also find it easier to invest abroad and to raise foreign loans.

The announcement disappointed business leaders and economists who wanted the immediate abolition of all exchange controls, but it offers the first opportunity for the government to gauge the potential demand by individual South Africans for foreign currency. "It is a way of testing the water," an

Mr Manuel stated at a prebudget briefing that he expected the initial allowance to be modest. "I do not expect there to be a big South Africa: background to a cautious budget



surge of capital out of the country after July 1," he declared.

Travel allowances for individuals have also been raised while companies will be able to transfer up to R30m (\$6.8m) to fund new projects in approved countries, and to raise foreign loans on the strength of their balance sheets rather than on assets held overseas. Investments of up to R50m

will be permitted in members of the Southern African Development Community, the economic grouping of southern African states.

The government's recognition of the demands imposed by rejoining the world economy were also reflected in its commitment to fiscal dis-

ber of the ruling African National Congress to hold the finance portfolio, said the current budget deficit target of 5.1 per cent of gross domestic product had been met, to be further cut to R24.4bn, or 4 per cent of GDP, in the financial year beginning on April 1. Spending is fixed at

R186.7bn, an increase of 6.1

per cent, while Mr Manuel expects an inflation rate of 8.5 per cent. "This is a tough demands substantially more austerity from government than many of its forerunners, yet it does not sacrifice the fundamental objective of transformation.

But even with this reduction in the deficit, Mr Manuel said 24 cents from every rand collected went on servicing government debt. "a sitnation that is both untena-Several government

departments will have their

especially defence, but there are significant increases for housing, and for the police service struggling to contain the surge in crime There is also tax relief for the poorest and lower-middle

allocations cut in real terms

compensation from the impact of inflation through raising thresholds. Mr Mannel held value-added tax at 14 per cent, but predictably imposed stiff rises on tobacco and alcohol taxes, and raised the cost of company fringe benefits. Foreign exchange markets

reacted favourably, the rand strengthening to close at R4.42 against the dollar in Johannesburg. Mr Raymond Parsons, president of the South African chamber of business, said he was pleased by the easing of foreign exchange curbs, but disappointed by absence of greater commitment to privatisation, on which Mr Manuel said nothing new.

No proceeds from privatisation have been included in next year's revenue forecasts, but some benefits are likely to accrue from the impending sale of 30 per cent in Telkom, the monoply sup-

Shadow over global accounts code plan

Mr Dennis Beresford, chairman of the US accounting standards board, has played down expectations that world stock market regulators will be able to endorse a common global financial reporting code early next year.

While the Securities and Exchange Commission will cast the US vote on endorsing the standards - being written by the International Accounting Standards Committee - Mr Beresford's views will carry significant

His comments increase the chances that the project might be postponed to later in 1998 or that a switch will be agreed whereby the committee's standards are offered for endorsement on a piecemeal basis.

Sir Bryan Carsberg, secretary general of the committee, has repeatedly said the core standards project can still make the deadline and that he is confident they will compare with the US code in

But in a series of pointed remarks about the ambitions ford said the deadline for vinced" it would primarily agreeing a set of core standards was "unrealistic".

He said progress towards global harmonisation would be incremental. "It's kind of a carrot that's held out in front of the committee, and perhaps others as well, but they don't ever get any

But his remarks will be seen by some as an indication that the US standard setter - a supporter of global pivotal role being played by the committee as a threat to its own pre-eminent position in global financial reporting. The committee has been

charged with coming up with a set of core standards by IOSCO - the club of leading stock market regulators - which if endorsed would be available to companies seeking foreign listings. The agreement of US regulators is fundamental to

the success Although Mr Beresford

recognised that the SEC was under political and commercial pressure from stock dards and encourage new

seek to protect shareholders. He said the SEC would have to consider the repercussions of endorsement for

US companies. "If Daimler-Benz and Toyota can file under international standards in New York why shouldn't General Motors or Ford be able to do the same thing - particularly if they perceive that the standards are more flexible and give more latitude?"

He said that Sir Bryan had been wrong to imply that the support of the SEC for its core standards project was "a done deal". He said significant problems remained with the core standards and the due process of the comedly defended the quality of the committee's standards.

Mr Beresford, chairman of the Financial Accounting Standards Board, was also sceptical about claims that the harmonisation project would make national bodics such as the US board redundant. He said Sir Bryan's project relied on others to do the work.

"Who would they copy!

AS INVESTING BECOMES

Our populations are aging. Our retirement funds are diminishing. It's changing the way

INCREASINGLY COMPLEX,

institutional investors work. They're turning to increasingly complex strategies. They're

CHOOSING A

looking to alternative ways to generate better returns. And they're looking to us. After all, we've

NANCIAL SPECIALIST BECOMES

spent over 200 years creating some global trends of our own. Better technology. Specialized

INCREASINGLY SIMPLE.

products and services. Which will make a lot of your investing decisions much simpler.



Serving Institutional Investors Worldwide

Moroccans take heed of Algerian war

Roula Khalaf on concern over the rise of Islamist movements

crackdown on Islamist students has renewed concern about the rise of political Islam in a country neighbouring Algeria, where Islamists and security forces have been locked in a bloody struggle for more than five years.

Yet in Morocco, Islamists and government prefer to view the crackdown as a slip - rather than a breakdown of their complex relationship. If the war in Algeria is on everyone's mind it is consider. However, the because it offers terrifying but valuable lessons to be

While Morocco's Islamists King Hassan has chosen to deal with them through a tice and Spirituality. combination of tolerance

and selective repression. leaders of al Adl wal Insan (Justice and Spirituality), the largest and more radical of the two main Islamist movements, were not arrested in the recent crackdown, although students rounded up belonged to the

organisation. Morocco's believe that political Islam in Algeria, personified by the Islamic Salvation Front (FIS), failed to attain its goal because it sought to destroy the regime and made clear that the rulers would pay for oppressing the population. The FIS's appeal led it to overestimate its strength and underestimate the resil-

ience of the system it fought. After the FIS won the first His dilemma, however, is round of legislative elections in 1991, the Algerian army stepped in to cancel the poll. In Morocco, Islamists are aware of the power of King Hassan and know that the time is not ripe to upset the

"If all Islamists joined together and were allowed to compete in elections, we might win," says one Islam-ist leader. "But what would be the point, the government would cancel the elections."

country's delicate political

Morocco's Islamists use whatever opening the king allows to spread their message for a return to Islamic Abdelsalam Yassin, the leader of Justice and Spirituality, is under house arrest, he is allowed to publish his books on Islam. Tapes and video cassettes of his teachings are also distributed by his supporters. Other Islamist organisa-

tions have newspapers and are allowed to work on "Islamising" society - with some success. However, the government tempers their political strength by preventing them preaching in the way Morocco works mosques or holding large public meetings.

King Hassan has chosen the middle ground in dealing shows, severe repression

orocco's recent risks radicalisation, especially when political and social problems abound.

Meanwhile, the Algerian experience of 1991 suggests that total tolerance of Islamist movements in a some times spiritually disoriented, and economically and politically deprived society would see mass support for the movements.

Justice and Spirituality is seeking acceptance as political party, a move the government is not ready to Movement for Unification and Reform, created last year by the merger of two more moderate associations profess their adherence to has been allowed to take non-violent struggle and say over a small existing party. they are in no rush to play a Many suspect the governsignificant political role, ment is happy to promote Unification as a rival to Jus-

But the delicate relationship between government Islamists point out that and Islamists can become

increasingly complicated. As Islamists slowly filter their ideas into Moroccan society and expand their support, King Hassan faces the challenge of pushing forward both political and economic reforms to alleviate inequalities and allow other Islamists parties enough room to take up the cause of the masses.

'In this country there is no change. There is only evolution'

that a real opening of the political system will require a greater acceptance of the political role of Islamists, including that of Justice and Spirituality. The crackdown on Islamist

students came as the king and the secular opposition were enjoying a period of entente, which is why few voices were raised to denounce the students repression, which started in Casablanca in January then spread to universities in other towns. The king has promised fair and free local and legislative elections this year - the country's first values. Although Sheikh transparent poll - in an attempt to reform the political system and create strong institutions to manage the country while keeping the monarchy as the ultimate arbiter. Mr Fathallah Arsalan.

spokesman for Justice and Spirituality, says the entente between the king and the opposition is proof that Moroccan politics still leaves no room for real opposition. For other Islamists, however, it is simply a sign of and the way they should operate. "In this country, there is no change. There is the middle ground in dealing only evolution," says Mr with Islamists. As Algeria Abdelllah Benkiran of Unification and Reform.

TECHNOLOGY

A ceramic plunger can help reduce oil extraction costs, says Andrew Baxter

Pigs swallow drilling costs

t looks like a length of what is that mysterious bulge running through it rapidly, stripping off the external paint and expanding the diameter by 20-30 per cent as it goes?

The bulge is a "pig." not of the mammalian variety but a ceramic plunger that is being pushed through the tube at as much as 100ft (30m) a minute. It is the latest idea from researchers at Shell International Exploration and Production (SIEP) for reducing the cost of

drilling for oil.

The profile of a traditional well looks a bit like an elongated telescope. Typically. drilling stops every few hundred metres so that a batch of steel casings jointed together to form a "string" can be inserted and cement pumped into the gap between the string and the

ordinary steel tube. But string has to fit through the previous one. So drilling might start with a hole 28in wide, yet the final production tubing might have a diameter of just 31/4in.

But what if the casing were expandable, and was also available in reeled form. avoiding the need to joint hundreds of 10m-12m long sections together? You could

A critical, and so far secret, element in the pig's design is 'angle alpha"

then start with a 10in top hole, says Bruce Stewart. principal research engineer at SIEP's Rijswijk R&D centre in the Netherlands. The amount of material to be

Obviously, the next casing by 75 per cent, he says sharply reducing the cost of existing drilling jobs and making old reserves more economically viable - an important priority for the oil industry.

There would also be envi-

ronmental benefits, as fewer rock cuttings would have to be disposed of, while less mud would have to be pumped down the hole to lubricate the drillbit and carry the cuttings away. "It's not pie in the sky to imagine running a 4in tube into a well, expanding it to 5in and then running a 4in tube through the expanded section to continue down-wards. This would lead to well designs with only one hole diameter and one casing size from top to bottom," says Stewart. "It could come

expanding solid steel tubes ity. Fortunately, this is



ordinary oilfield tubulars, which lacked the ductility to survive being stretched without bursting. In January last year, encouraged by work on expanding slotted tubes, it decided to have another

This time, though, it asked steelmakers mainly in France and Japan to supply tubes that have both high Shell experimented with tensile strength and ductilexcavated would be reduced in the late 1980s, but used exactly what the auto indus-

try wants too, says Stewart, Shell began by looking at

est pigs are made of solid blocks of zirconium oxide, a specialist ceramic material, built around a steel base.

and expensive or special steels are not necessary. pushing steel pigs through the tubes, but the two steels tended to weld together. It then turned to hard-wearing ceramics used in industries such as cold forging. Its lat-

mechanically or by pumps on the rig. As the tubes' diameter expands, the steel gets thinner, but its resistance to bursting rises because it is a "work-hardening" grade. A critical, and so far secret, element in the pig's design is "angle alpha" the slant on the side of the pig that pushes the steel tube outwards.

SIEP has already filed patents on the process, and there is strong pressure to get it into the field in the next few months, says Stewart. So far, the widest tube expanded had a diameter of 4in, or 5in after the pig was pushed through, but the tubes and the pigs could be wider, says Stewart: "Although the forces would be higher, the pressures to pump the pig would be less."
In the field, the process

would be impractical, if not impossible, unless the steel tubes could be run off a reel on the drilling rig or drill ship. Fortunately, over the past five years, coiled tube drilling has been introduced widely into oil exploration -Shell alone has about 100 such operations worldwide.

Drilling with smalldiameter continuous tubing can save operators a great deal of time and transform the economics of exploiting small or difficult to reach fields, or those getting towards the end of their life. Although large reels pose The pig would be propelled some logistical problems.

through the tubes either they take up much less space on the rig than all the conventional equipment for lifting and inserting pipe sections into the hole. And the properties needed to coil tube without bursting it are much the same as those

which make it expandable. At present, though, the widest diameter tubing that can be coiled is 41/sin, says Taco Hoekstra, Seip's research engineer for reeled systems technology. Coiled tubing like that has already been used for production tubing, but it is not yet possible to coil tubing for casing the hole, although Shell is working with the steel

industry on this. Ultimately, Shell believes, there could be a further twist - dropping steel tubes altogether for specific applications. It has been exploring the feasibility of drilling a mono-diameter hole and using tubes of a lightweight composite material made of

glass fibres in an epoxy-resin matrix. These could be spooled onto much smaller reels, which is important for land transportation.

The tubes, which could be as long as 2km, would be lowered into the hole in collapsed form and then injected with a pressurised fluid, expanding them to a diameter of as much as 13in. An electric current would then be passed through, generating heat to cure the

Testing is still in its early stages, however, and Shell says the process in its present incarnation would not be suitable for all wells. The composite tubing cannot be lowered into highly deviated holes, and the resin used in the composite material degrades at temperatures of 100°C or higher. The price of the composites is also a stumbling block, making it initially attractive only for some niche applications

Fast forward to model stage

new approach to rapid prototyping - which enables product developers to build solid models quickly from their on-screen designs - has been developed by Kira of Japan.

The process uses proven laser printing technology to convert automatically a computer model of a component into a solid model, using sheets of ordinary paper. The Kira machine resem-

bles a very large computercontrolled photocopier. It uses standard A3-size photocopier quality paper. As with a photocopier, it takes one sheet at a time and applies toner to a selected area of the paper. This corresponds to one particular crosssection or layer of the model being built.

Instead of appearing in the outlet tray, the sheet is then assembled on top of others to create the solid model. The sheets are pressed together at a temperature which melts the toner's resin powder, effectively glueing the sheets of paper together. Once each sheet has been

pressed onto the block, a tiny blade cuts around the contour of the area covered by the toner. It also makes additional cuts to help the designer separate the completed model from the excess paper around it.

The resulting model has the consistency of wood and can be used as a pattern to generate additional samples in plastic or metal materials.

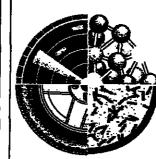
The most widely used RP technology was developed in the late 1980s by 3D Systems of the US. Its process uses a laser selectively to harden layers of liquid resin. But Kira says its equipment, which is being mar-

keted in the UK at just under £100,000, costs less than half that of the laser/ resin method, and is more suited to an office environment So far, it has been used

only in Japan, for modelling products ranging from cameras to paimtop computers and car components.

Anna Kochan

Worth Watching Vanessa Houlder



Micro makers copy from nature

The scope for making microcomponents on a minute scale is limited when using conventional techniques such as photolithography. So scientists are trying to mimic the molecular self-assembly techniques osed in nature.

Scientists at Harvard University in the US have moved a step in this direction by showing that millimetre-scale plastic components can assemble seives, according to a report in today's Nature . agazine.

They applied a thin film to the surfaces of the onents that made parts of them repulsive to water. Once in water, these surfaces stuck to other water-repulsive surfaces with a complementary shape. The components that assembled themselves in this way could be "glued" by using a light-sensitive polymerisable adhesive as the film and finally subjecting it to ultraviolet

The shapes made in this way included small 'doughnuts", "footballs" and tetrahedron-like structures. The researchers believe the same techniques could be used to make even smaller structures.

Harvard University: US, tel 6174959430; fax 6174959857.

Structure of fungi discovery

Fungal diseases are an increasing problem, not east because they have secome more and more esistant to common drugs. But scientists in the US have made a discovery about the structure of certain fungi which might open up new treatments.

Researchers at the University of Georgia and Purdue University have shown that fungi with long,

"scaffold" proteins called septins. In at least one fungus, the gene controlling production of septins is

crucial to its survival. The scientists believe the eptins play an important role in cell wall assembly, making them a potentially suitable target for drugs. Because human cells do not have walls, drugs that interfere with cell wall synthesis are less likely to be toxic to humans.

University of Georgia: US, tel 7065422014; fax 7065421805

Keeping light aircraft apart

The danger of mid-air collisions between light aircraft could be reduced by a low-cost warning system that has just undergone initial flight trials.

The system works by detecting another aircraft's strobe lights and warning the pilot. It comprises 12 solar cell detectors fitted to the wings and tail, and a cockpit processing and display unit. It can detect other light aircraft within a range of at least 1km. The prototype was designed and is being evaluated by Smith System Engineering, a UK consulting firm, unde contract to the UK Civil Aviation Authority.

Smith System Engineering: UK, tel (0)1489 44200; fax (0)1483 442144.

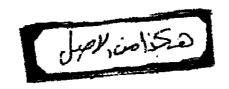
Translate at the touch of a pen

The IRISPen is a pen-sized scanner that can recognise text, barcodes and handwritten numerals. A new version that can offer two-way translations, via a PC, between English and French and English and German is about to be launched by Iris, the Belgian company that devised the product. This device, which will also be able to translate Japanese text into English, will cost about BFr15,000 (£264).

The company also plans to launch an accounting version suitable for capturing data on purchase invoices and handwritten cheques. This version, which will cost about £300. is expected to become available in a few months.

IRIS: Belgium, tel 10451364; fax 10453443.





11

Kvaerner \$326m or

"Hürriyet is the first and only Turkish national newspaper to receive the ISO 9001 certificate..."



all we had to do for it, is what we do everyday!

Apart from our devoted readers in five continents and our sales exceeding any other Turkish newspaper, there is now a third indicator of our dedication to quality: The ISO 9001 certificate.

And all we had to do for it was what we have been doing for the past 49 years.

If you have any intention of investing in Turkey, make sure you invest on quality.

Make sure you choose the opinion leading and best selling Turkish newspaper: Hürriyet.



visit our web site at www.hurriyet.com.tr

ment establish confidence in

How strong are these

intaneible arguments? Not

strong enough, in my view,

to justify imposing other

wise undesirable new bur-

dens on individuals and

companies. But they are

strong enough to justify

removing tax reliefs which

are themselves distortions

and which impede the sup-

ply performance of the econ-

omy. The obvious example

is removing or reducing the

In general, Mr Brown would do well to avoid a

show of Crippsian fiscal aus-

terity and concentrate on

his employment creation measures, These are likely to include attempts to use a

little public money to price

into work the long-term

unemployed and jobless younger people by offering subsidies for new recruits.

Mr Clarke made a brave

start with very similar mea

sures in his 1994 budget, but

unfortunately only on a

very small scale and experi-

mental basis. He since

seems to have lost interest

in them on the grounds that

the best job-creation pro-

gramme is a vigorous and

expanding economy. Every

chancellor seems to fall for

this fallacy during a long

business cycle upswing. But

the justification for special

employment measures is to

improve the working of the labour market and reduce

the unemployment rate over

the average of the cycle.

last remnants of mortgage

interest relief.

the financial markets.



Economic Viewpoint · Samuel Brittan

Labour's first Budget

If Gordon Brown is the next chancellor, he should concentrate on his employment package and abandon visions of fiscal austerity

If Labour wins the next increase. Thus the balance election one of its first of the recovery would be actions will be to introduce a new "welfare to work" shifted from consumption to investment and exports. budget in the early summer. This is highly dubious. This will contain the much debated windfall tax on the The restrictive effects on profits of public utilities. consumer spending of any likely tightening of fiscal part of which will finance a

policy may be very disapspecial jobs package. pointing. Time and again Goldman Sachs, investment bank, governments have been taken aback by the failure suggested the windfall levy might yield some £2.5bn in of tax-raising packages to each of the next two finanrestrain demand cial years and the employ-The supposed boost to ment measures might cost exports depends on the effects of a tight Budget in an average of £1bn. But holding down interest rates what else will Gordon and thereby putting a dam-

pener on sterling. A little

eyebrow-raising is in order.

brought up to believe that a

tight budget strengthens the

exchange rate, if only by

increasing overseas confi-

dence. The fashion has now

changed and mainstream

economists argue it will

weaken the exchange rate

by allowing interest rates to

be lower. Both effects are

nossible; and indeed one

unpredictable order. Neither

tightening is the much-

trumpeted long-term need to

increase national savings by

reducing government bor-

rowing. The result cannot

be taken for granted as pri-

vate savings can fall to off-

Another argument for

is a good basis for policy.

Most economists were

lor, have in mind? He has committed himself not to raise income tax or extend value added tax to various popular items. But he cannot make a similar "blanket commitment on each and every one of more than 200 reliefs'

At the simplest, Mr Brown could use the modest net revenue his measures would bring to reduce the budget deficit slightly. Alternatively he could make a start may follow the other in on some of Labour's taxreducing plans, such as the introduction of a 10p lower band. (This is an ineffective way of helping poorer taxpavers - he would do better to concentrate on reducing the rates at which benefits as their income rises.)

But before he can decide on the detail he will have an overall judgment to make. Should he tighten fiscal policy by tax changes which raise substantially more revenue; or should he content himself with either a neutral budget or the very slight tightening implicit in his minimum package?

Several arguments are given for tightening the fiscal stance. Much the worst in my view relates to the so-called policy mix - that an increase in the tax-take is needed to reduce the growth of consumer spendSocial Research (NIESR) is publishing a a paper on this subject, Britain's Fiscal Problems, on March 17. The authors calculate that if the fiscal tightening is viewed as a national investment. the net real return would be 3.85 per cent per annum only slightly higher than the return on indexed gilts.

The most plausible argu-

ment for tightening the fiscal stance is the need for sound public finances. Excessive government borrowing means a growing burden of interest payments on the national debt, which will penalise tomorrow's taxpayers at the expense of today's. If carried to extremes, a debt trap is reached in which the interest burden shoots up indefinitely to pay for past borrowing, However, there is little evidence that the UK is anywhere near such a trap, despite the belief of some senior government advisers that recent "tax cuts" were unwise and that policy should be tightened.

There are at least four alternative criteria for long-term stability in the public finances. One is Labour's preferred rule that government borrowing should cover only public capital, expenditure. Second, there is the well-established objective of stabilising the ratio of debt to gross domesrowing. The National tic product. Third, there is

and size of any interest rate. Institute for Economic and the EU Stability Pact for the of having to tighten later in single currency which the next parliament. More-requires a normal deficit not over a budget which errs on exceeding 1 per cent of GDP, the side of tightness should

Finally there is the help a new Labour governsuggested rule of maintaining the net value of the public sector balance sheet. The first three of these rules leads to a public sector borrowing requirement (PSBR) of 1 per cent of GDP in a normal year. The fourth probably points to zero. The present government's

spending limits are indeed meant to enable the PSBR to come down from 3½ per cent of GDP in 1996-97 to below 1 per cent in 1999-2000 – little more than two years from now. The fiscal puritans believe the pace of improvement is not fast enough or that the present public expenditure path, which Labour has promised to maintain, is not credible. But, contrary to some earlier fears, the deficit for 1996-97 is coming in below the official projection. And despite numerous alarms, the spending limits set by Mr Kenneth Clarke, the

chancellor, have been observed in recent years. There is however one psychological and political reason why Mr Brown, if he was the next chancellor,

might want to err on the side of fiscal restraint. This is that official budgetary estimates have a large marening now reduces the risk Hypothetical Budget treatment of the windfall levy

The real criticism of the Brown strategy is that part of the impact will be wasted in simply offsetting the pricing out of work effects of the minimum wage. In other words Mr Brown will have to run unnecessarily fast just to stay where he is which is presumably the Management · Peter Marsh

Paint shop partners

Manufacturers can benefit from involving contractors in operating the plant

Managers involved in big engineering projects invariably breathe a sigh of relief when they kick the contrac tors out and can get on with the job. But what if they never leave? Dürr, a German company which is a world leader in installing painting systems for car plants, reckons it could be beneficial.

The company is negotiating with some customers not only a price for installation but also a separate deal in which a Diar team stays on indefinitely to ensure the equipment runs smoothly.

This "partnership approach" to painting was taken on a £45m (\$72m) paint shop, which Dürr installed two years ago at the Long-bridge, Birmingham, plant of Rover, the LIK car company owned by Germany's BMW.

both Dürr and Rover run the installation - is one factor behind better-than-expected performance by the paint shop, say the companies.

The principles behind the arrangement resemble the "facilities management" deals seen in a range of industries. A supplier installs equipment - any-thing from a photocopier to a central heating boiler and agrees to maintain or service it for a set time.

If the equipment is particularly complex, the supplies may leave a team to provide spare parts or handle potential breakdowns. This is what happens, for instance, with some specialised con-crete pumping equipment in the construction industry. The "partnership" aspect

of the Durr/Longbridge arrangement is not new. Manufacturers are increasingly leaving jobs such as parts production or metal cutting to suppliers, some of which may be located in the premises or nearby.

But it is rare for a manufacturer to trust a contracting company enough to



Longbridge paint shop: partnership has reduced defects

within its own factory, particularly when the operation is as important as a car paint shop.

in a car plant, the paint shop is involved with dozens of technically exacting painting and finishing processes which affect how the finished vehicles look and are seen by customers.

While most carmakers regard painting as too important to leave to outsiders. many are aware of the need to improve paint shops.

For example, the performance of the paint shop tends to fall off appreciably when the contractors leave, possibly because of small technical problems that never get sorted out. Big problems quickly lead to antagonism between con-

tractors and customers. At the Longbridge shop, a replacement for an older system which works round the clock painting up to 60 vehicles an hour in 15 colthought they could both ben-

'This kind of approach only works if the participating companies

are being honest with each other and sharing ideas'

Central to this is Mr Umesh Davda, a Dürt employee, who has remained at Longbridge as the facility manager. He reports directly to a Rover executive, Mr Peter May, the paint shop manager, and is responsible for many technical aspectsof ensuring the system works at maximum potential. "Because Umesh is at the plant all the time we can sort out differences between us, build a relationship and learn from each other." save Mr Kim Johnson, a senior Rover engineer in charge of Longbridge's

Mr Davda says the approach works only if the companies are being honest with each other and sharing ideas. In discussions he has made suggestions on how to improve technical aspects of the system. These can then be modified according to operational constraints, such ours. Rover and Dürr as the need to fit technical changes with shift patterns. The "sharing" approach has helped to ensure that environmental targets for the paint shop have been met with little trouble. And the number of cars having

> in installations of this type. With such a performance record, the "partnership" ... system is likely to prove attractive to other vehicle makers, says Dürr. It is talking to other companies including Mercedes-Benz and Jaguar about similar methods of operating with the

no paint defects is 85-90 per

cent compared with the 70-80

nies say is an accepted level

International Conference about

INTERDEPENDENCE

LEARNING AND ACTING FOR A SHARED FUTURE

Under the patronage of Mr. Arnold Koller. President of Switzerland

The following working groups will be offered:

- Cultural Understanding
- Corporate Social Responsibility
- Entrepreneurship
- Higher Education & Learning
- Information & Society

Participants from more than 80 countries!

Confirmed speakers: Giandomenico Picco (former UN Assistant Secretary-General), Georges Blum (Chairman SBC), Hazel Henderson (Economist), Ruud Lubbers (former Prime Minister of The Netherlands), a.o. Chairman of the Conference: Bohdan Hawrylyshyn

3 - 10 May 1997 Basel, Switzerland Fee: CHF 350.-



& Corporation

AIESEC GTC 97 Alain Mehmann P.O. Box 101, 4010 Basel/ Switzerland Tel: ++41-61-288 25 64, Fax: ++41-61-288 68 09 E-mail: gtc97@eye.ch Or visit our homepage at http://www.eye.ch/gtc97.

AIESEC is an international, non-profit, non-political, student managed educational organisation. Represented in more than 800 universities and academic institutions, AIESEC involves more than 60'000 members every year in more than 80 countries and has consultative status B with the United Nations. Through its international exchange programmes, seminars and projects AIESEC contributes to a better understanding of other cultures and to solving national and global socio-economic challenges.

LETTERS TO THE EDITOR.

Number One Southwark Bridge, London SEI 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to 'fine'), a mail: letters editor@fi.com Published letters are also available on the FT web site; http://www.FT.com Translation may be available for letters written in the main international languages.

Political correctness and myopia | No outraged prevent objective debate on EU

From Mr Norman Lamont

Str. I am truly astonished at the myopia of the letter from 23 businessmen about Europe (Letters, March 11). Apparently political correctness has reached such heights that no one is

allowed any longer to make an objective assessment of the costs and benefits of our membership of the European

Union_ According to our captains of industry, membership of the EU is an article of faith that cannot be examined.

Yet your own editorial ("The trouble with Europe" March 11) on the opposite page pointed out that the Common Agricultural Policy cost the UK about 1 per cent per annum of its gross domestic product. Even if we assume improbably that the trade liberalisation effects of the EU add a quarter of a per cent per annum to our GDP, this hardly amounts to the bargain of the century. Does attempting to analyse these costs and benefits really

amount to "popular jingoism" in your phrase? But what your correspondenis do not understand is that increasing scepticism about Europe is also about its political consequences. Monetary union is a political objective being pursued for political reasons. It will have profound implications for

the future of parliamentary democracy in this country, and will drive Europe, as Continental politicians openly desire, in the direction of becoming a European state. Whether this can work does not seem an unreason-

able question. Businessmen are entitled to give their views on the single market. But they and you should acknowledge that politicians are equally entitled to warn of the political consequences, both of monetary union and the whole process of mindless

Norman Lamont, House of Commons London SW1A 0AA, UK

From Mr Andrew P. Godfrey. Sir, Sir Colin Marshall and others highlight the need for a commitment to the European Union in the forthcoming election campaign, and underline the "enormous benefits" the UK enjoys as a result of the single market. Grant Thornton Interna-

tional has recently published the results of the 1997 European Business Survey of 5.000 small and mediumsized enterprises (SMEs) in 19 countries. One of the points to arise is the striking differences in opinion between those SMEs in countries within the single market, and those outside it.

It is not just UK SMEs tive effects of the Union. Companies in all EU states recorded a positive balance when asked if the single market had made distribution easier. In Malta, Norway and Switzerland, which remain outside the EU, there

was a negative balance. While signatories to Sir Colin's letter represent big business in the UK, the aim of the single market was eventually to benefit the business life of all its members. It is vital that the benefits of membership trickle down to the SME sector.

We must not lose sight of the benefits the single market has delivered - again our research shows that, on balance, SMEs in Malta, Norway and Switzerland believe the single market has made expansion more difficult, while a net 6 per cent of SMEs inside the EU believe

it has been made easier. There is a long way to go before the fruits of the union are fully realised, but it would be foolish to forget the strides already made in opening cross-border trade and areas of operation.

Andrew P. Godfrey. head of growth and Grant Thornton House, Melton Street, London NW1 2EP, UK

not on cards

From Mr Don Montague. Sir, Mr Selwyn Hodson-Pressinger (Letters, March 1/2) should talk to the farmers and traders in the local markets around Lille before asserting so confidently that we can look forward to "exclusive use of credit and debit cards".

Don Montague, Les Arbres, Serres-et-Montguyard, Eymet,

lyse ("Should Emu be

ther Italy nor Germany

Cash's demise | Emu should be postponed From Prof Jochen Larentzen.

Sir, In light of a possible German budget deficit in excess of 3 per cent you anadelayed?", March 7) the disadvantages of postponing Emu (loss of credibility) and of starting Emu on time with Italy (uncontrollable political revolt by a DM-nostalgic German public), and propose to persuade Italy to wait "for another year or two".

This would jeopardise the sustainability of Italy's political and economic reforms. If assessed evenhandedly, neiwould currently qualify for

Emu, with possible higher borrowing costs as a result. That would be painful but not as bad as telling the Italians that the reason for keeping them out is that the Germans are simply not ready for them yet. Thus, while postponement may cause some loss of credibility for Emu, going ahead will

question the credibility of

the European Union itself.

Jochen Lorentzen, visiting professor. Amherst College, Box 2259, MA 01002, US

From Mr Colin R. Green. Sir, Your article about alleged anger among BT upset by MCI disclosures" March 12) is potentially mis-

or or A

* e5

الله ميان الميان يوده

 $(\underline{\mathbf{q}},\underline{\mathbf{q}},\underline{\mathbf{q}})$

V Trailing

-19 an ja 😘 🍝

-ton the state of

CARDON -

leading to your readers. BT issued a news release and notified the London Stock Exchange on February 11 that a registration had been filed with the Securities and Exchange Commission in the US. We are not allowed to circulate the US registration statement in the UK. Copies could be

obtained from the SEC. We would add that we have not received a single complaint from any institutional shareholder.

Colin R. Green, secretary and chief legal adviser, British Telecommunications. 81 Newgate Street, London EC1A 7AJ, UK

Narrow view on US screens

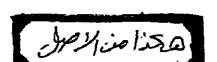
From Mr Keith Wedmore.

Sir, How sad I am to have to agree with Mr Jones (Letters, March 7) that advertisements spoil American television's jewels. Even more, the need to keep sponsors bappy prevents the gradually unwinding discussions of news and events which mark good British TV. Almost, we have no infor-

motion. Everything has to be brief, and therefore to achieve balance, politically correct; time prevents controversial programming (the word "controversial" can only be used pejoratively in California). Missing is investigative journalism of which 60 Minutes is almost the only US example. Outside "pub-lic" TV, itself now eroded by the need to find advertisars. one seldom finds a programme free to explore a

Keith Wedmore. 5 Cornella Avenue, Mill Valley. California 94941-1840, US

subject in depth.



ARTS

Cinema/Nigel Andrews

Class act for a sandblown haiku

Hollywood's Academy will festoon a British film with Oscar nominations. It must be set in the twilight years of the Empire: it must tell of endurance and impossible odds; it must be high, wide and handsome, as if David Lean has risen from the grave to act as ghostly mentor. Even with all that, Anthony

THE PARTY OF THE P

A Section of the sect

The Park Land

The state of the s

Marketon .

奥林林 M. 12 2 ...

新维数 法人。

A ASSESSED TO

The state of the s

Help 197

STATE OF

副全部中华

新しまる新さかが。 で

A Table Company of the

194

المنافقة المعطارات

*∰*ageation. .

No Service Commence

福建 点 12

श्चित्रके हिन्द्रभाग्य १ -

20° 30 30 30 30

er er er

والمرجود بالإيوا

BARLON - 1

الماسية الأسا

A. 15 - 10

gagete et .

arjania e. ***

南門を含むされる。...

William Commence

Gr. With the con-

1 42 = 1

Address to the second

Marks 4-

Action State Service .

B Howkinson

14 St. 12 72 7 ...

· Parking the contract of the

- 242

Miner 200

A STATE OF THE STA

the state of the s

MAR WALL BY PARTY IN THE in the springers

parties arrested the con-

History will be a second

-

September 1 Process

The second of the second

meter that the last

4 B Bir - ----

- Care Section 7. "

e programme in the

A property of the same

Company of the control of the same

Many Andrewson - May 1

The second second

O Marine Services

A Committee of the Comm

The state of the s

San Paris

A 1861 0

STATE OF STATE OF

and the second

er water at

Hermite

County State Comme

The second and second

Z with the latest true

Park I State of

Maria de la Caración de la Caración

party of

MERCHANIN

- Andrew Allers Sales

Spirit Spirit Spirit Spirit Spirit

-

A STATE OF THE STA

min of any

200

A Company of the Comp · CONTRACTOR OF THE PARTY OF TH

A STATE OF THE STA

经绝开入

with the state of

Figure Bratter

T With his action

24 P3 ...

ತಿತಿಯಾಗಳು ∵್

英名 医病性

 $\{(\lambda_{i+1},\dots,\lambda_{j+1},\dots,\lambda_$

Jane Talker

Marie Control

model

Minghella's film of Michael Ondaatje's novel The English Patient, a project rejected by each major Hollywood studio in improbable enterprise.

Gandhi it isn't, nor Chariots Of
Fire: one could sum up their

improbable enterprise.

But think of the moguls nodding Spatiently as Minghella pitched this story. "We begin with an English-Hungarian Count burned beyond recognition in a North African plane crash, who while heing tended in Italy by a French-Canadian nurse who's involved with an American spy but is falling in love with a Sikh sapper flashbacks to his own passignate affair with the wife of an English explorer who crashes his own plane before ... Hullo? Mr

> The mogul is asleep, out of the room, or has turned to read the atest Stallone script.

> Ondaatje's novel presented the you cannot do that on the large creen, not if you want to sell popcorn. So Minghella, even inder the enlightened sponsorthip of Miramax (Pulp Fiction and Co), stretches this sandblown naiku about love, jealousv. nationhood and self-destruction nto a kind of linear coherence.

Over 2% hours we fall in step vith the beautiful, preposterous assion between Ralph Fiennes's lark-browed Anglo-Magyar matiiee idol, all sunken eyes, sunken oul and Olivier-ish vocal inflecions, and Scott-Thomas's sandlonde siren with her crystal lecanter accent, wry edge-of-gigde demeanour and cheekbones o die for.

These two actors/characters ave driven Hollywood wild with heir classiness. When trapped in jeep by a sandstorm, they swap ales of famous winds from Hero-

here are certain vital lowing curtains or mosquito net- today's co-production climate by requirements before ting. And they keep getting lost telling a story about language, instant colour-wash as if he has on the production's beer money."

The other story is a dullish dog by comparison. In a daylightblanched ruined villa, nurse Juliette Binoche ministers to the cindery Mr Fiennes, whose make-up resembles a werewolf with leukemia. Meanwhile she challenges taboos and frontiers in her own romance with a Sikh bomb defusal officer (Naveen Andrews). A main strand in

> THE ENGLISH PATIENT Anthony Minghella

THE EVENING STAR Robert Harling

MOTHER NIGHT Keith Gordon

BOUND Wachowski brothers

Ondaatje's book, this seems a loose thread here. "Okay, Anthony," (the miscegenationwary moguls might have said), "we'll give you the desert, the story as a virtual reverie. But Euro-lovers and the existential subtexts. But we'll soft-pedal any sweet music, please, between the girl and the bomb wallah."

So Binoche-Andrews is a virtual non-event. And the scenes between Binoche and interloping spy Willem Dafoe are like awkward pointing in the brickwork: explanatory mortar slapped between the rich, ruddy brickwork of the main romance. They tell us why Fiennes himself might be a spy, what he was doing if anything in Tobruk and - oh but who cares. It is as if someone has stitched scenes from Ice Cold In Alex into Sternberg's Morocco.

At its best The English Patient is that classy. If Minghella's debut feature Truly, Madly. Deeply was overrated - a Ghost for the NW3 set - this movie is a quantum leap towards cinema's

in dunes, caves or wadis, shot by division and cultural bewilder-John Seale (of Witness, The Mos-ment. And with great timeliness, quito Coast) with a gorgeous at a moment when sex in the cinema is undergoing intensive been told, "Please do David Lean care thanks to HIV and other crises, it gives us grand, mysterious, loopy passion.

This is the kind of love that leaves characters dying gorgeously in caves or enacting Icarus leaps in flaming 'planes from heaven to hell. And it is the kind of love that seldom dares to speak its name in cinema, except when allowed a wall-to-wall romantic iconography and that special British gift for buttonlipped apocalypses of the soul.

The Evening Star is about the kind of love that curdles on the plate before you have lifted it to your mouth. Can you imagine Terms Of Endearment 2? Can you imagine Shirley MacLaine mutating, over two hours, from an auburn-rinse pixie to something like Ray Walston in drag? And then dying beautifully, as her exconvict grandchild and other hitherto rebarbative relatives melt in tears before our eyes?

If you can, then you are truly far gone as a film buff. You might even enjoy this film, written and directed by Robert Harling with the schmaltz he had left over from Steel Magnolias. This is a movie where not even the housekeeper must be denied her radiant death scene, where MacLaine can complain of loneliness in a house that seems like Grand Central Station, and where Jack Nicholson, stealing in for a late cameo, has his eye brows at half-mast as if to indicate respect for the general mawkishness.

Surely writers like Alan Bennett have taught us that art about old people can be astringent as well as affectionate, funny as well as sad? At the press show of The Evening Star the audience was in a state of giggles at several scenes, but not, I believe, in any way Harling

Nick Nolte is a Nazi - or does he only pretend to be? In Mother Night, based on Kurt Vonnegut's novel, he plays American espionage's answer to Lord Haw-Haw: potential for magic. With great an émigré writer whose propa-



Juliette Binoche as the nurse: her romance with a Sikh is soft-pedalled in 'The English Patient'

contain coded messages for the ing film. Sheryl Lee, Alan Arkin filled with violence and lesbian-Allies. But since his mission is and John Goodman also behave top secret, who will know that he as if they have just stopped holdwas "one of us" once Roosevelt and company die?

The novel, trading plausibility for tragical-satirical point-making, is essentially an allegory: which means that we believe it from side on. The cinema hates allegories, being front-on and photographic, so we never believe Keith Gordon's movie at all. Though Nolte growls, agonises and screws up his piglet eyes, this is an actorly perforotus. They make love amid bil- shrewdness it makes a virtue of gandist broadcasts from Berlin mance in an uneasy, attitudinis-

ing scripts in their hands. And Gordon's bid to be "cinematic," with alternations between colour and monochrome, suggests a man anxiously laying a choice of carpets over the hole in the ground where reality should be. I have just caught up with Bound, which slipped through my grasp recently. Buffeted by

colleagues' reviews claiming that it is (either) one of the best things since the Coen brothers

when the plot is as ingeniously worked out as this and when the Wachowksi brothers, working on a pittance, have so keen an eye for the surreal, acrobatic brink-

ism, I can now confidently venture my own opinion. It is both. I see no honest reason why we should not be treated to the sight of two Sapphic minxes (Gina Gershon, Jennifer Tilly) caught up in carnal passion between bouts of cheating and murdering Mob members, including Tilly's husband Joe Pantoliano: at least

(or) a cheap exploitation thriller manship of the good thriller.

Theatre/Alastair Macaulay

Legendary lady with a synthetic touch

new production of the with an interest in musicals will be interested to see this one. But it is not delivered by believers.

This show has long been legendary. It brought together psychoanalysis, Gertrude Lawrence (star), Kurt Weill (composer), Ira Gershwin (lyricist), Moss Hart And, as in a thousand women's (author), a woman's quest to find fulfilment in career and/or love, and Danny Kaye (show-stopping new talent in supporting role). The main reason why Lady in

the Dark has seldom been seen since the 1940s, however, is that it is less than a great musical. Gershwin's lyrics are first-rate, but Weill's music is variable. And Hart's basic story is weak. Liza

he National Theatre's Elliott, magazine editor for ten them. The only guy around with Ninety per cent of her perforyears, suddenly finds herself in 1941 musical Lady in the trauma. She has to choose. Will Dark doesn't work. It is she marry her current lover (a not disgraceful; and, since pro- married man who at last is getductions of Lady in the Dark are ting a divorce and plans to marry few and far between, anyone her)? Or marry instead a knockout movie-star hunk?

> experience of schlock to know that she will choose neither. because there is a third man on the scene who keeps debunking her and calling her "Boss Lady". movies, where there is a guy with irony enough to challenge our heroine's splendid façade, there our vulnerable heroine's heart will eventually go pit-a-pat.

You don't have to be feminist to distrust this show. All three men pursuing Liza are blank formulas. The more you contemplate them, the more you worry why Liza wastes time on any of sounds brassy, ingratiating.

some dimension to him is a petuher womanhood with her need to be found beautiful and vulnera-

So Lady in the Dark, to suc-Alas, you don't need much ceed, needs very particular treatment: which the National Theatre staging, starring Maria Friedman, directed by Francesca Zambello, does not deliver. Friedman has some fascinating contrasts to her - some meltingly soft singing and some defensively tight vibrato, a pug nose and a bulldog chin - that are right for Liza Elliott. But she keeps performing as if she were more interested in artificial stardom than in sincere artistry. When speaking to the shrink, she sounds noble, wronged, pious. When singing in her dreams, she

mance, including the American lant pouf. And Liza's supposedly accent, feels synthetic. Nobody wise shrink insists on equating could miss the 10 per cent, mind you. The first time she hums "My Ship". with her eyes shut, is the most moving thing in the show; it feels, unmistakably, like the first thing to come from beneath surface level. It cannot help that she and everybody else are given horrid costumes throughout by Nicky Gillibrand: dowdy, ill-coloured. Ill-cut. Liza is meant to look severe in her suit; she merely looks drab, even more so when she puts on supposedly

> As the histrionic office queer. James Drevfus has some funny moments; but his general sourness makes the role appear to have been conceived by homophobes. He is not showman enough to show why "Tchaikowsky", with Danny Kaye, was

suitors, Adrian Dunbar makes most headway as the toughie who wins Liza. As her lover, Paul Shelley works too hard; as the handsome hunk. Steven Edward Moore sings and acts like a clone. Hugh Ross is excellent as the shrink, and Charlotte Cornwell confers on Liza's assistant Maggie (an Eve-Arden-type role) an ideal mixture of cynicism, stylishness, concern, and warmth. Zambello has directed the show

in much the way that Friedman performs the title role: as various kinds of artificiality. The analysis sessions, dream scenes, and office scenes are all, in different ways, over-choreographed, trite, bogus, The dances - by Quinny Sacks are largely doll-like and expressionistic. Neither the girl announced as Liza's prettiest class-mate nor the line-up of suitors proclaiming ardour for Liza are convincingly cast.

In National Theatre repertory at the Lyttelton Theatre, South Bank. Sponsored by the Mackintosh Foundation.

Concert Three Slava projects

💙 he sparse turnout for Tuesday's concert at the Barbican was the price the London Symphony Orchestra had to pay for breaking the box-office on the other four nights of its Mstislav Rostropovich 70th birthday series. Rostropovich conducting Shostakovich or playing Dvořák is one thing; championing little-known works by Walton Lutoslawski and Schnittke - all commissioned while he was music director of the National Symphony Orchestra of Washington – is another. It is brave of the great Russian cellist to continue nurturing these pieces, and group them into one uncompromisingly short programme.

I wish I could say that good intentions were rewarded. In truth, this concert was rather depressing because two of the three works were portraits of admired composers in their dotage. The fact that the LSO had little opportunity to sparkle, and seemed unusually hesitant in some of its entries, was a further dampener. Rostropovich's heart may be in the right place, and the orchestra clearly loves him but someone should have realised that three Slava commissions do not on their own constitute programme-logic.

he three were Walton's Prologo e Fantasia (1981), Lutoslawski's Novelette (1979) and Schnittke's Sixth Symphony (1993). The Walton - his last composition - projects little sense of ideas kneaded, worked through or developed; but for the glint of Waltonian energy at the start of the Fantasia, the piece would make a good advert for creative block.

The similarity of mood between the Schnittke symphony and some of Shostakovich's later works may explain why it alone carried the full force of Rostropovich's conviction: he understands and identifies with the idiom, his raised fist at the brass perorations reflecting the music's fitful attempts to escape its desolate landscape. Written after the onset of Schnittke's illness, this symphony bears all the hallmarks of his creative wounds: the argument stumbles along in feeble, fragmentary monosyllables, worlds away from the composer's explosive. celling of gesture among isolated orchestral sections makes the going extremely ponderous. Into this halting, Hölderlin-

like frame, Novelette burst like a ray of sunlight. Lutoslawski composed it during a fallow period in his work on the Third Symphony, and it bears many of that work's stylistic devices, including an arresting gesture at start and finish. What impressed was not just the accessibilitywithout-compromise that characterises so much of Lutoslawski's later output, but the apparent spontaneity of utterance within a meticulously organised plan. In less than 20 minutes. Novelette speaks volumes about musical texture, layers of meaning, lyrical sensation, orchestral dialogue. It alone proved worthy of Rostropovich's septuagenarian celebration.

Andrew Clark

The final Rostropovich 70 concerts are tonight, Sunday and Tuesday March 25.



rtificial stardom: Maria

AMSTERDAM

ONCERT oncertgebouw Tel: Nederlands Kamerorkest: with Inductor Hartmut Haenchen and »prano Alexandra Coku perform orks by Schreker, Schoenberg, shubert and Mahler: Mar 15, 18 Rotterdams Philharmonisch rkest; with conductor Valery argiev and violinist Lella xefowicz perform works by atzing, Mendelssohn and achmaninov; Mar 15

> CHIBITION jksmuseum Tel: -20-6732121 Reflections on the Everyday -Jtch Genre Prints from the 16th id 17th century: in the late 15th intury, woodcut artists and gravers began portraying enes of everyday life in prints. norous couples, farmers on ir way to market, groups of usicians; scenes such as these He especially popular in the th century. This exhibition

provides a survey of the genre prints with works by van Leyden, Rembrandt and van Ostade accompanied by some lesser known prints by their contemporaries; to May 4

■ BARCELONA CONCERT

Palau de la Música Catalana Tel: 34-3-2681000 Radio-Simphonie-Orchester Frankfurt: with conductor Pinchas Zukerman perform works by

Beethoven, Mozart and Dvorák;

BERLIN

Mar 17

DANCE Deutsche Oper Berlin Tel: 49-30-3438401 Ballett der Deutschen Oper Berlin: perform "Paquita" to music by Minkus, choreographed by Vinogradopov (after Petipa). "Concerto" to music by Shostakovich, choreographed by MacMillan and "Onegin" to music by Tchaikovsky and Stolze, choreographed by Cranko; Mar

BRISBANE

POP-MUSIC Entertainment Centre Tel: 61-7-3265-8111 Tina Turner: performance by the American rock singer; Mar 14,

■ BUDAPEST

EXHIBITION Hungarian National Gallery Tel:

36-1-17575333 Magnificat anima mea dominum: display of fine art from the late Gothic period, with the stored panel painting "The Visitation", dated 1506 and signed by Master M.S., a particular highlight, from Mar 13 to

May 25

■ CHICAGO EXHIBITION

Museum of Contemporary Art Tel: 1-312-280-2660 Art in Chicago, 1945-1995: exhibition presenting a historical survey of the art made in Chicago in the years 1945-1995. The exhibition features about 150 works by 135 artists in all media and includes a supplementary

exhibition of documentary and archival information covering film and video, performance, audio and computer-assisted arts; to Mar 16

■ COLOGNE AUCTION

Kunsthaus Lempertz Tel: 49-221-9257290 Afrikanische Kunst: auction of 183 pieces of African art, including cult figures, masks and ritualistic and religous paraphernalia; Mar 15

CONCERT Kölner Philharmonie Tel: 49-221-2040820 Junge Deutsche Philharmonie: with conductor Lothar Zagrosek and soprano Christine Schäfer perform works by Maderna, Berg, Beethoven and Mozart:

Mar 16

LONDON CONCERT Barbican Hall Tel:

44-171-6384141 ● London Symphony Orchestra: with conductor Zubin Mehta perform works by Stravinsky, Bloch and Strauss: Mar 16 Purcell Room Tel: Olga Tverskaya: the pianist

Mozart, Shubert and Vorisek; Mar Queen Elizabeth Hall Tel: 44-171-9210600 Artur Pizarro: the pianist performs works by Shostakovich. Agosti, Stravinsky and Scriabin;

performs works by Haydn,

Mar 16 Wigmore Hall Tel: 44-171-9352141 Alban Gerhardt: performance by the cellist accompanied by pianist Markus Groh. The programme includes works by Beethoven and Brahms; Mar 15

■ LOS ANGELES CONCERT

Dorothy Chandler Pavillion Tel: 1-213-972-8001 ● Los Angeles Philharmonic: with conductor Esa-Pekka Salonen, soprano Alessandra Marc and baritone Hekan Hagegerd perform works by Schubert and Zemlinsky; Mar 14

■ NEW YORK EXHIBITION MOMA - Museum of Modern Art. New York Tel: 1-212-708-9400

glamorous gowns.

 Rainer Werner Fassbinder: retrospective exhibition devoted to German film maker Rainer Wemer Fassbinder, one of the main representatives of the New German Cinema. Fassbinder died at the age of 37 in 1982, having completed 44 films. This retrospective is the first complete exhibition of Fassbinder's films in the US and includes many new

prints; to Mar 31 The Metropolitan Museum of Art Tel: 1-212-879-5500 Indian Court Painting:

16th-19th Century: exhibition of paintings drawn primarily from the museum's own collection tracing the various traditions of Indian painting over four centuries. The display is one of three this year at the Metropolitan to mark the 50th anniversary of India's independence; from Mar 20 to Jul

MUSICAL Martin Beck Theater Tel: 1-212-239-6200

 Annie: by Strouse and Chamin. Cast includes Nell Carter. Special 20th anniversary revival; from Mar

Music Box Theatre Tel: 1-212-239-6200 Barrymore: by Luce. Directed by Gene Saks. The cast includes

Christopher Plummer, from Mar

THEATRE

■ OXFORD EXHIBITION

14 to Sep 30

Museum of Modern Art Tel: 44-1865-722733

 In Visible Light: exhibition examining the history of photography's attempts to classify the world and duestioning its role as a passive recorder of events. On display is a print taken from the first X-Ray (from 1895) as well as a number of works by photographers including Andres Serrano, Humphrey Spender, Sol LeWitt, Diane Arbus and Cindy Sherman; from Mar 16

■ PARIS

CONCERT Théâtre du Châtelet Tel: 33-1 42 33 00 00

 Gidon Kremer, Veronika Hagen, Clemens Hagen and Alois Poch: the violinist, alto, cellist and double bass-player perform works by Schubert and Schnittke. Part of the Schubert Bicentennary; Mar

THEATRE

Comedie Française, salie Richelieu Tel: 33-1 40 15 00 15 Tartuffe : by Molière. Directed by Dominique Pitoiset, performed by The Cornedie-Française. The cast includes Philippe Torrentont and Jean d'Autre May; from Mar

Listing selected and edited by ArtBase The International Arts Database, Amsterdam, The Netherlands. Copyright 1997. All rights

Tel: 31 20 664 6441. E-mail: artbase@pi.net

WORLD SERVICE BBC for Europe can be received in western Europe on medium wave 648 kHZ (463m)

EUROPEAN CABLE AND SATELLITE BUSINESS TV (Central European Time)

MONDAY TO FRIDAY

NBC/Super Channel: 07.00 FT Business Momina

10.00 European Money Wheel Nonstop live coverage until 15.00 of European business and the

17.30 Financial Times Business Tonight

CNBC:

financial markets

08.30 Squawk Box

European Money Wheel

18.00 Financial Times Business Tonight

Japanese telecoms merger first of more

Japan Telecom and International Telecom Japan will merge this autumn to create the country's second largest-earning telecoms company after Nippon Telegraph and Telephone.

The merger - the first in the industry - between the long-distance operator and the international carrier is in advance of intensified competition expected to follow the government's decision last between domestic and international telecoms, and allow a demerged NTT into the international market within two

"Japan Telecom has judged that it will be difficult to survive the global competition if the company continues to be an entity offering only long-distance services." Mr Haruo Murakami, vice-president, said yesterday.

Japan Telecom, affiliated with Japan's privatised rail-way companies, will absorb the smaller ITJ.

NTT has signalled its inten-

market while KDD, Japan's including NTT, KDD and DDI largest international carrier, is suffered price fails on the moving into domestic services. Tokyo Stock Exchange ITJ's shareholders include Japan's leading trading companies as well as Matsushita, the

consumer electronics maker. Details of the merger, including share allocation and who will head the new company, will be decided by the end of the month.

what could be a much larger consolidation in the industry. Japan Telecom said it would welcome the participation of KDD and local telecoms operators in a much larger conglom-

Although specific talks to that end have not been held. KDD already has close ties with Japan Telecom through joint stakes in five mobile telephone companies.

Japan Telecom also said it would go ahead with plans. announced last month, to link its lines to those of KDD to provide customers with onestop services. Meanwhile KDD has tied up with the local carriers affiliated with electric power companies.

Shares in competitors to the

warnings of global warming

However, analysts expect

the only serious challenge to

NTT to come from a much

larger entity including KDD

Although the merged com

pany will be the second largest

in terms of revenues after

NTT, its forecast revenues of

more than Y400bn (\$3.8bn) will

be only about half the esti-

mated Y800bn revenues of the

demerged long-distance NTT,

with which the new company

"NTT still has the over-

whelming advantage, apart

from its size and financial

resources, of a very long cus-

tomer list," said one analyst.

"NTT is the largest provider of

telecoms services in Japan and

we think those customers will

consider NTT for international

The move by Japan Telecon

and ITJ is expected to put

further pressure on smaller

competitors, such as DDL to

reassess their strategies.

will compete in the interna-

tional market

and the local carriers.

By Leyla Boutton in Washington

The US storms and floods which have killed about 50 people and caused at least \$1bn damage in the past two weeks reflect a rise in weather extremes consistent with global warming, according to

US floods

mirror

leading American scientist. Mr Tom Karl, senior scien tist at the National Climate Data Centre in Asheville. North Carolina, said: "They reflect the types of events we expect to become more frequent as global temperatures increase. They match trends over the past century."

Mr Karl, whose centre studies and forecasts US weather, said rivers which had always been flood-prone were flooding more often as overall US rainfall had increased by 8 per cent over the past 100 years.

This meant that on average the US was receiving the equivalent of half the Mississippi river in additional rainfall every year compared with levels at the beginning of the

Mr Karl said the world needed to improve co-ordination of its studies of extreme weather events worldwide to increase understanding of climate change.

His headquarters will host a meeting in June of top scien-tists and representatives of the reinsurance industry, which has the most to lose from an increase in weatherrelated insurance claims, to "devise a plan of where we should go from here".

The Intergovernmental Panel on Climate Change, which brings together scien tists to research on behalf of governments, has suggested that average temperatures could rise by 1 to 3.5 degrees centigrade over the next century if the world carries on emitting greenhouse gases such as carbon dioxide at present rates.

Governments are due to meet in Kyoto in December to negotiate international cuts in carbon dioxide emissions

Meanwhile the US Federal Emergency Management Agency, which is responsible for disaster relief, is bracing itself for renewed storms and vastated since tornadoes hit Arkansas in February.

The greatest threat is that the Mississippi, the country's biggest river, will today barst its banks in part of Ten one of six states affected by the extreme weather.

The storm front unlea by the Arkansas tornadoes has also triggered flooding in Ohio, Kentucky, Indiana, and West Virginia.

THE LEX COLUMN Hobbled Hoechst

the local market and a market capi-

talisation over \$100bn. Hence Japan

Telecom's enthusiasm for creating

which has two-thirds of Japan's

international market, is in its

tionship with TTNet, NTT's largest

BT/MCI, will presumably want to

to see precisely how this match-

There have been so many mar-

riages in insurance broking that the

industry is starting to resemble a

particularly sentimental novel. The

latest nuptials – between Marsh &

McLennan and Johnson & Higgins

- mean the old "big six" group of

happy couples. And the two UK

What is to become of the old maids?

taken over soon have considerably

shrunk. Both US groups, even if

either could in time return to the

prowl, are likely to be preoccupied

with their current prey for the time

being. More is the pity: the \$1.8bn

with \$1.2bn in revenues, is a valua-

Certainly, their chances of being

per cent of that market.

increasingly competitive.

Insurance brokers

Hoechst's U-turn is astounding: instead of floating off its pharma-ceutical division, the group has decided to keep the drugs and divest itself of its chemical activi-

For investors who have backed the restructuring carried out under Mr Jurgen Dormann, the chairman, this is a slap in the face. The partial stock market listing of HMR, the drugs arm, was always second best to a clean demerger on the lines of ICI and Zeneca. But it would still have released value as HMR attracted a higher rating and it would have happened soon – probably by this autumn it will take Hoechst much longer to find partners for all of its poorly-performing bulk chemical businesses; and even longer to restructure them to a point where they can be floated, so that Hoechst can sell out. Meanwhile, HMR will remain buried in a conglomerate. Having shown investors a hidden jewel, Mr Dormann is stuffing it back into his pouch.

The group's rationale for the new strategy is sketchy. It argues bor-rowings have fallen faster than planned, so an HMR flotation is no onger a financial necessity - but debt will rise in 1997. Hoechst also makes much of keeping full control of drugs and linking it with its other life science businesses. But two of these, agrochemicals and diagnostics, are themselves joint ventures. This about-face seems to have more to do with management's desire to keep on running the more attractive pharmaceutical business than with anything else.

Japan Telecom/ITJ

Yesterday's merger talks between Japan Telecom and ITJ are the first of a wave that will change the industry's landscape. As Japan's traditional regulatory barriers between local, long-distance and international communications fall, the logic of knitting together operators from different parts of the industry is compelling. Hence Japan Telecom, a long-distance network, is planning to merge with ITJ, an international operator.

But this particular combination will still be dwarfed by the mammoth Nippon Telegraph and Telephone. Japan Telecom and ITJ may have nearly 20 per cent of their respective markets and will probatalisation of around \$9hn. But NTT has over 50 per cent of the tion to make long-suffering Willis long-distance market, 99 per cept of and Sedgwick shareholders weep.

On the other hand, the chi

embrace each other must have grown. Willis in particular has long fretted and rightly, that mergers in this people business are not snag-free. Yet the scale of the cost savings promised by Marsh - at least \$150m a year - surely leaves, the UK groups little choice but to? talk. Certainly their shareholders should be pressing them to But that, of course, is one reason why investors in the US groups would be rash to count on lavish cost saving padding bottom lines for long A world in which all end up scrab bling for economies of scale is one in which the savings will quickly be competed away.

Mounces

Rentokil Initial

Rentokil never pretended it would pow at 20 per cent for ever. But h is still a shock to find that in the second half of 1996, Rentokil's prof its - excluding a first contribution from BET - did not grow at all

sights. That could also bring a rela-Sir Clive Thompson, the chie local competitor albeit with only 0.2 executive, blamed yesterday's poor results on the fact that man ment had been distracted by the integration of BET, bought for Similarly, Japan Telecom is keen to strengthen its global position by £2.3bn (\$3.7bn) last April But the forging an alliance with non-Japanese groups. The snag is that the disappointments were too wide most attractive partners, like spread for that: flat second-hal margins in Asia-Pacific and a fall it see whether they cannot link up UK pest control profits can hardly with NTT instead. While it is hard be blamed on disruption, since HE had no businesses in those area More likely, Rentokil's famousl' making will end, one thing is cerlean management simply over stretched itself. Moreover, it look tain: the market is becoming as if margin expansion in areas like pest control is coming to an end

The question now is at what sor of rate Rentokil will grow in futnice In 1997 the group should still squeak in with 20 per cent earning growth, helped by improving ma gins at BET and accounting adjust ments that will save film a yes Longer term, however, some o. ... global brokers is instead a pair of BET's operations, in particula crane hire and distribution, an groups, Sedgwick Group and Willis both more capital intensive an Corroon, are stranded on the shelf. more cyclical than traditions Rentokil businesses. From 1998 growth of 15 per cent, or even less looks likely. As Rentokil come down to earth, so should its rating Even after yesterday's 9 per cen fall, the shares trade at a 30 pe cent premium to the market aver age on 1998 forecasts. That look

Additional Lex con

ونجوا

والمناسب

= 4.5

'≅ ∓,

. 4

: ae

Marsh & McLennan back on top

Continued from Page 1

which encompasses employee benefits consultancy, healthcare, and the management of captive insurance companies. These are all areas outside of traditional insurance broking, where growth has become increasingly difficult and margins are under pressure.

Marsh itself derived less than half of its \$4.15bn revenue from insurance services management arm contributed \$1.01bn and it earned \$1.16bn from consulting.

The deal leaves a question mark over the future of Unison, a global broking network underpinned largely by Johnson & Higgins' international presence. It owns 90 per cent of the Unison offices world-

Mr Smith said he thought it unlikely that Marsh would want to be part of a group with whom its own subsidiaries were competing.

Marsh is expected to decide shortly whether it will buy Minet, the loss-making UK broker owned by US property and casualty insurer St Paul Com-

up \$6% at \$128% in early afternoon trading on the New York Stock Exchange.

Brussels to reform smuggling controls

By Neil Buckley in Strasbourg

A Europe-wide investigation unit and computer system linking national customs authorities could be set up by Brussels to combat smuggling.

The European Commission said yesterday it would propose reforms and new controls on Europe's road freight transit system after a European Parliament report estimated fraud was costing European (\$4bn) a year in unpaid excise duties.

The report criticises the Commission, member states and customs services for failing to tackle the problem.

Under the "common transit system", goods such as cigarettes and alcohol do not pay excise on entering EU territory, provided they leave the EU intact, or pay the duty at their final EU

destination. The system has been extended to the European Free Trade Association countries. including Switzerland, and the Visegrad countries of Poland, the Czech and Slovak republics, and Hungary,

But the report says criminal groups are exploiting the removal of internal border controls in the EU, outdated

monitoring systems and lack

of co-operation between customs services.

The report says no one knows the true size of the lost revenues which could run into tens of billions of dollars.

The transit fraud inquiry was the first to be instituted under powers given to Parliament by the 1992 Maastricht treaty to investigate EU

Mr Mario Monti, single mar-European Parliament's Strasbourg assembly yesterday that he would produce proposals before the end of next month on reforming the transit

These would include speeding up plans to use computers, including the establishment of monitoring systems in each member state linked to a Europe-wide New Computerised Transit System, and an information-sharing and early

Mr Monti added that there would be no extension of the transit system to further countries until it had been fully computerised. The Commission wants to unify the three transit systems, covering the EU, EFTA and Visegrad

warning programme.

FT WEATHER GUIDE

Editorial Comment, Page 15

Gulf Canada Resources Limited

bid for

Clyde Petroleum plc

for

£495 Million

Morgan Grenfell & Co. Limited

advised Gulf Canada on this transaction

Tal: -44 171 545 8000 | Fax: +46 171 545 5180

Deutsche Morgan Grenfell



Europe today Most areas will be sunny

but cloud and rain will spread into western regions. The British Isles will be cloudy with some rain. Benelux and northern France will be cloudy. Spain and Italy will stay sunny and rather warm Afternoon temperatures will be higher than 25C in parts Mediterrenean will have showers. Fog in north-we Europe will clear in the early morning.

Five-day forecast Cloud and rain will spread across most areas and it will turn colder during the weekend. The Baltic states

will have rain.

20 23 HIGH

Caracas Cardiff Casablanca Chicago Cologne Dakar Dallas Delhi Dublin Dublin Dublin

fair 28 shower 12 sun 25 cloudy 3 cloudy 12 sun 24

Majorca Matta Manchester Manla Medoo City Miarri Miarri Moscow Munich Narotal Narotal

SUN 37 (金) 17 (金) 18 (金) 17 (金) 18 (金) 17 (金) 18 (c) 18 (

More and more experienced travellers make us their first choice. Lufthansa

Rangoon
Heykjavik
Ric
Rome
S. Fraco
Seoul
Singapore
Stockholm
Strasbourt
Sydney
Tangler
Tel Asiv
Toronto
Vancouver
Versice
Visits
Washingtr
Wellington
Willington
Willington
Willington
Willington rand Frankturt Geneve Gibergow Hamburg Helsinid Honolulu Istanbul Jakarta Jakarta Jakarta Karachi Kuwait L. Anaeles

اعتدامن الاحلاء

op partu

The state of the s

糖 神神 : Miles at ... THE RESERVE

Ber Carrier The Park of the Park . Prof. L. B. .. *** BENTY . 14 Table 14 wind Paper and The Assessment of the London o A STATE Belle Sa

· ** *** *** ***

kini a CONC. IS LINE in if the THE PARTY OF **Propriers** THE WAY

*** other ...

1 myopia son EU

4 2-4--A Service Con Co. The state of the s No. of Concession, Name of Street, or other party of the last of t Marine Marine Section 2 The Market Name of 721

pro foreign

CHOOSE AND A mark de e Marie Marie Control A wint & war. **阿米敦**大声"" THE PERSON NAMED IN

petpolici

Market Company Marie of the

A STATE OF THE PERSON OF

ageable debt burden. But official lenders must take

Number One Southwark Bridge, London SE1 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Thursday March 13 1997

Fraud across EU borders

The much ridiculed European Parliament has done a good job in exposing the way in which organised crime has exploited the EU single market after 1993. Yesterday, the European Com-mission broadly endorsed the conclusions of a European parliamentary committee of inquiry into the EU's transit system. And the commission has already started to implement proposals to reduce smug-

gling within the Union. This was the first EU parliamentary inquiry to be set up under the provisions of the 1992 Maastricht treaty. The result is a welcome sign that the parliament can be more than a talking shop, can bend its energies to an important problem neglected by the Brussels bureaucracy, and is able to come up with some practical

The opportunities for smuggling - mainly of cigarettes arise from the European transit provisions which allow goods to enter the EU without payment of customs duties or VAT, provided the consignment is passing through to a destination outside the Union.

Because of an antiquated system of paper forms and the within the RU after 1993, smugglers have been able to import duty-free cargoes, which were really destined for sale within the Union. The scale of this fraud is uncertain, but may well run into tens of billions of Ecu practical remedies.

tant than the loss in taxes is the insidious danger that organised crime will extend its hold within the EU and use the easy profits from cigarette smuggling for much more dangerous activities, such as arms and drugs trafficking. The proposed remedies

include closer co-operation between national customs authorities, backed by a more modern computerised system, a tightening of transit rules, and more streamlined systems for pursuing legal actions against smugglers across national bor-

However, the committee goes too far in proposing a force of supranational customs investigators. These Euro-police would need to be both numerous and powerful if they were to discover which of the 18m transit operations per year represented contraband. A Europe still struggling with the uncertainties of monetary union, and far from agreement about the implications of enlargement, or a common approach to justice and bome affairs, is not ready for such an idea.

Nor is it necessary. The parliamentary committee's report opening up of national borders sets an ambitious agenda for combating fraud. This is an issue on which all EU partners have an interest in co-operating. Proposals for cross-border polic ing would only divide them and

Uganda's debt

The joint World Bank-IMF plan around \$80m a year over the to ease the debt burden of the world's poorest countries is facing its first test. The two boards have been meeting this week to lecide whether Uganda, one of Africa's rare economic success stories, has done enough to the government has offered to qualify for assistance - or open the books to creditors and whether to delay approval for at donors, and allow monitoring of

On the face of it, there could hardly be a more deserving case for debt relief. Eleven years after President Yoweri Museveni and his National Resistance Movement took office, a country that had been devastated by war and mismanage ment is making a remarkable recovery. Thanks to economic reforms and donor support of some \$500m a year, GDP growth has averaged 6 per cent annu-

ally since 1987. it inherited from the regimes of Idi Amin and Milton Obote, totals \$3.4bn. Servicing the debt takes up almost a third of export earnings. Nearly half these payments go to multilateral lenders such as the World Bank, which should be at the forefront of Uganda's recovery. It is this anomaly that the debt initiative is designed to resolve. The main condition of the initlative - a six-year record of playing an active part in its

successful adjustment - bas already been met by Uganda. should think again. Debt relief The government has also cannot be allowed to subsidise pledged that the money saved, Mr Museveni's foreign policy.

next three years, will be spent on social services and on primary education in particular. In a further effort to reassure donors who fear the money may be misappropriated in any way, the budget process and expendi-

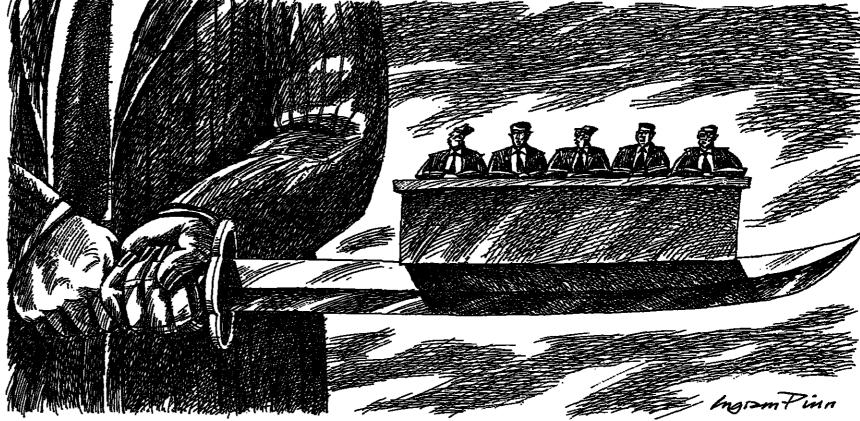
fores ing role in the region's wars.

His support for rebels in southern Sudan has prompted retaliation from Khartoum, which backs insurgents in northern Uganda. Meanwhile his close ties with Rwanda But external debt, the bulk of include support for the rebels in eastern Zaire. Mr Museveni vigorously denies, however, that he provides material assistance to Rwanda or to the rebels.

tage of the government's invitation to put this claim to the test. if Mr Museveni's denial is substantiated, Uganda's track record of reform warrants reward. But if evidence is uncovered that Uganda is neighbours' conflict, creditors

There is, however, one area of concern. Uganda's spending on defence has risen from 13 per cent of the budget in 1991 to around 20 per cent, the consequence of Mr Museveni's lead-

Creditors should take advan-



Tradition on a knife-edge

Japan's most recent cases of corporate extortion may be a healthy sign of greater pressure for openness, writes William Dawkins

gious companies have en paying the mob to keep shareholders quiet is a reminder that Japanese corporate governance is, to put it

Shock - but no great surprise has been the general reaction to last week's admission by Nomura Securities, the country's largest stockbroker, that it was the latest company to have dealt with gangsters. Its staff had illicitly channelled money into the bank account of a dodgy property company owned by the brother of a prominent sokażya or corporate extortionist.

The pervasiveness of this phenomenon was reinforced less than a week later when two executives of Ajinomoto, Japan's largest processed food maker, were arrested on suspicion of bribing six sokaiya, who are also being detained at the emperor's plea-

- some of them very well known - which have been found to be paying off gangsters since this practice was supposed to have been outlawed in 1982. Recent offenders include Takashimaya, the department store, Kirin Brewery, Japan's largest beer producer, and Ito Yokado, a leading supermarket chain.

Undeterred by half-hearted government attempts to oust them from corporate life, sokażya have thrived on Japan's system of cross-shareholdings for years. They extract bribes in return for ensuring that awkward questions are not asked at annual shareholders' meetings.

If anything, shameful revelations from corporate Tokyo are getting more frequent - three in the past 12 months alone. And this is Nomura's second brush with the law in six years.

Sokatya are a well-known feature of a business culture that does not welcome intervention from independent investors is seen as Japan's weak corporate mum earnings back into expand-

vidence that two of governance. Yet senior Japanese ing businesses. But when many Japan's most presti-executives believe these latest companies tried to shake off this cases are, paradoxically, a healthy sign of pressure for proved ingeniously persistent. greater openness.

The most recent scandals are, in part, a consequence of growing pressure from media, the equity markets and politicians for more corporate disclosure. The Nomura and Ajinomoto cases have been the subject of gossip in the popular press for several

"The proliferation of these scandals and disclosure of them are part of a general shift from the traditional system to more global standards," says Mr Masaya Miyoshi, president of the Keidanren economic federation. "It is inevitable because many companies still carry with them old attitudes."

Another healthy sign is that customers and investors are for the first time penalising the latest wrongdoers, a better deterrent than the suspended prison These are only the latest in a sentences and small fines doled long queue of 26 Japanese compa- out by the authorities in the past. Nompra's fund management clients, including its own asset

> management affiliate, have started to take their business elsewhere in the past few days. This did not happen to the same extent after Nomura's last gangster scandal in 1991 when clients valued a relationship with Nomura more than propriety. Takashimava's investors are

suing it for compensation, a rare event. The Keidanren, meanwhile, says it might suspend Nomura's membership when it sees the result of an official inouiry. It is, however, an open ques-

tion whether all this is enough to encourage managers to break with the sokaiya. Their influence is deeply rooted. They are also a logical - if unpleasant - symp tom of an otherwise robust corpo-

rate system. They first appeared in postwar years - often by management invitation - to head off any oppo sition to strategies of keeping and are widely blamed for what dividends low to plough maxi-

legacy in the 1980s, the sokatua The police believe their num-

ber has halved over the past decade to about 1,000. But they have, says Mr Miyoshi, grown very sophisticated. Typically, they operate front companies which buy shares in a victim company entitling them to turn up at shareholders' meetings.

They might also offer the target company a service, such as office cleaning or security, at an extortionate price. In return, they sit in on shareholders' meetings and loudly shout agreement to board proposals. "They have made it hard to draw a demarcation line between legal and illegal activities," says Mr Miyoshi.

to get rid of the mob often find themselves sudpersonal scandal or even danger. Three years ago, the managing arrector of Full Film. known gangster.

A less dangerous attempt to ten agreement by Japan's top listed companies to hold annual meetings on the same day, usually towards the end of June, and to keep them short. Last year, 2.235 companies held their meetings on June 27 - average length just under 30 minutes.

However, while this tactic

little time to ask the searching is what most distinguishes Japaquestions typical of western nese corporate governance, annual meetings. That is why sokaiya are so widely held to be a feature of Japan's supposedly weak corporate governance.

In fact, this is misleading. Although some Japanese companies are in the thrall of gangsters, they are more accountable to shareholders than might at first appear. Governance lies elsewhere,

with a stable network of long-term shareholders, who have a latent ability to control the company," explains Dr Paul Sheard, strategist at Barings Asset Management in Tokyo.

Leading Japanese companies arrange on average for two-thirds of their shares - according to stock exchange data - to be held by business partners, including banks, customers and their own affiliates. These big institutional shareholders are rarely seen at Tokyo annual meetings, but they denly exposed to can - and often do - form coalitions to intervene directly in times of crisis.

pened to be responsible for share- cite because they are rarely holders' meetings, was stabbed to announced, but the most fredeath with a samurai sword by a quent tactic is for a lead bank to put its own executives in charge of a troubled industrial partner. outwit the sokaiya is the unwrit- There is a parallel in the way in which a UK pension fund might press for management changes in one of the companies in which it holds a large chunk of shares.

But even if a Japanese relationship-based shareholder can intervene, it makes a more accommodating taskmaster than a western pension fund with its eve on the restricts the activities of the next quarter's earnings. That, sokaiya, it gives shareholders rather than pay-offs to the mob,

Ownership of banks and listed companies in Japan

| Averege % ownership, 1998 | | | |
|---|-------|------------------------|------------|
| Type of stareholder | Benks | Other listed companies | All listed |
| | 39.9 | 432 | 42.8 |
| Other domestic corporations | 43.1 | 20.7 | 23.6 |
| and with the same of the same | 12.5 | 25.2 | 23.8 |
| Foreigners | 4.4 | 10.2 | 9.4 |

argues Mr Craig Chudler, strate gist at Salomon Brothers Asia.

This distinction explains why attempts to tackle corruption have produced so little progres Typically, the top man will resign to take the rap for deals with sokaiya. Mr Hideo Sakamaki, the president of Nomura Securities, has said that he

But while the face changes, the management style does not. Previous bosses who fell on their swords have been replaced by someone from the same company or corporate family, a consequence of the cosy shareholder relationships on which sokatua

That is exactly what happened after Nomura's previous presithe stockbroker's earlier scandal involving sokaiya. Out of respect for their former elders, the new bosses have been unwilling to make dramatic changes.

Mr Sakamaki, for example, to the Nomura board only two years ago, a move which created speculation - now proved right that the purge was less than wholehearted.

"This management inbreeding makes it very hard to deal with these problems," says Mr Chudler. "Western companies bring in outside management when they

want real change." This is something few Japanese companies are willing to do -Mazda's appointment of a Ford

executive to the top slot last year was a rare exception. Yet the fact that some of the

clients to have deserted Nomura in the past few days are its own shareholders - including Nippon Life insurance and affiliates of Sakura Bank – may be a sign that they want more than just a ritual gesture of management accountability. If so, the fall-out from these latest embarrassments might as the Keidanren hopes, be a stage in the inevitably difficult transition to better corporate governance in Japan.

Help for Hanoi

Development Bank's pledge to lend Vietnam \$1.500 looks odd. tions. One priority is further This will make Vietnam the effort to shore up Vietnam's This will make Vietnam the largest recipient of concessional money from the ADB - and those loans come on top of a more efficiently and mobilise similar commitment from the World Bank. These donors must insist on tough conditions.

. .

Such largesse ought to be superfluous for a country with substitution and heavy goods an average annual growth rate of 8.2 per cent in the 1990s and ready access to private capital Yet Vietnam still has large pockets of weakness in its economy, low foreign exchange reserves and a current account deficit of 12 per cent of gross domestic product, which is

In the short run it faces pressure on its reserves thanks to a worrying build-up of short-term trade debt, all too often contracted on dubious grounds by state-owned enterprises which then decline to repay on the instructions of their local Com-

munist party officials. Some foreign borrowing to replenish the reserves is inevitable. It is better that this should take the form of long-term concessionary finance rather than expensive short-term commercial credit. Vietnam is not short of offers from banks anxious to diversify their loan portfolios. It could easily build up an unman-

On the surface, the Asian maximum advantage of the opportunity to impose condicrumbling banking system so it can allocate financial resources more domestic savings. Another is reform of state

enterprises, enabling the economy to move away from import industries. Vietnam is still far too dependent on commodity exports. Without a competitive export industry it will have difficulty closing its payments gap.

Neither priority can be met without the Communist party relinquishing some control Interference by party officials in what ought to be commercial decisions has exacerbated the serious problems in the banks. Similarly, Vietnam's dawdling over state enterprise reform stems from the desire of a frequently corrupt bureaucracy to

maintain its patronage. Perhaps because of collective residual guilt over the war, aid donors sometimes appear to give Vietnam an easy ride. If that is motivating the World Bank and ADB, their money will be wasted. Without further reforms Vietnam risks pay-ments crisis and dwindling growth in the medium term with political instability as pop ular expectations are dashed Donors will not help Hanoi unless they make this plain.

OBSERVER. Swim with counterparts in the securities industry. Further de Swaan

More changes about in Basle following the appearament this week of Belgium's Allsus rplactse as thairman of the Verplaetse as thanman of the Bank for International Serifements. District Central bank disector Tom de Swaan is tipped to take over as chatman of the influential Basic Committee of particular supervisors to which the BIS plays host:

If de Swaan does get the job he will be following in some famous

will be following in some famous footsteps. Previous Basic Committee chairmen include one-time New-York Federal Reserve chief Gerald Corrigan and the Bank of England's Peter Cooke The latter was the driving force behind the famous "Cooke ratio" capital adequacy standards which have shaped the international banking system since they were introduced in the late 1980s. The vacancy arose earlier this

month when the Italian gaveraneut selected Tomasso Padoa Schioppa – who narrowly missed out on the top job at the Bank of Italy last time round to head Consob, the country's stock market regulator. Padoa Schioppa will be a hard act to follow. In four years in the Basic hot seat the tactful Italian helped bring together banking supervisors and their

rapprochement will be required if the committee is to finalise important – but begely complex rules covering both banks and securities companies.

Still; de Swaan seems to have the right background to carry on Padoa Schioppa's good work. A well-known figure on the 🦠 banking circuit, he's recently been in charge of international efforts to regulate financial conglomerates straddling hanking, securities and mance.

Waiting for Theo

German finance minister Theo Waigel insists Germany is heading for Eanu but his personal pilot seems to have a ess well developed sense of direction. Transporting his. bushy-eyebrowed passenger to Lyon for yesterday's Franco Gérman economic simmit, the navigator manage to land at the wrong airport.

Waigel's flying machine touched down at the city's civilian Satolas airport, rather than the military aerodrome designated for the VIP's arrival. where cars were waiting to pick up his entourage. The mix-upmeant that the meeting, also attended by Bundesbank president Hans Tietmeyer, Prench Finance Minister Jean

bank governor Jean-Claude Trichet, started an hour late. If the French go ahead and insist on having their own time zone. perhaps such four pas can be buried in the resulting confusion.

Arthuis and France's central

Cover-up

TOne of Sri Lanka's top police officials is in hot water for allegedly lending his uniform to a friend for a fancy dress parade Mithra Ariyasinghe, the numbe two in the police force - and the head of the intelligence and security division - has been ordered to remain on leave after his uniform was discovered in the luggage of a doctor about to leave the country for India.

Gone for broke

By buying rival Johnson & Higgins, Marsh & McLennan has reclaimed its customary top spot in world insurance broking. After all, it was only back in December - when Aon grabbed Alexander & Alexander – that Marsh was deposed from the number one position after 29

vears out in front. Marsh & McLennan chaerman Ian Smith will deny that it was ever his intention to knock Aonback into second place; all the same, the quietly-spoken Smith

hopes to be able to retire in three years time having pulled off the kind of victory Admiral Lord Nelson would have been proud of.

A Marsh man through and through and a Scot by birth, Smith has been with the broker for 35 years. He has been brushing-up on tactics by reading historical novels based on the exploits of the British Navy in the Napoleonic Wars material he describes as "suitably fascinating".

Name dropping

M State Street Boston is the latest US financial institution to try to brush up its public image by ditching part of its name. After two years slaving away with brand consultants, the bank has unveiled a jolly new sailing ship logo and dropped "Boston" from its title Still, Wall Street wags see

room for further improvement After all. State Street has left a gap between "State" and "Street". The real movers and shakers in US financial services led by BunkAmerica and NationsBank - have no truck with such old-fashioned notions. But at least State Street has distanced itself from laggards in the name game like Bank of New

York, which has only itself to:

biame for being known

universally as "boney".

Financial Times

100 years ago Mutiny In Uruguay

Montevideo, 12th March. Orders have been given for the enrolment of the National Guard. A detachment of National troops has been defeated on the north-west frontier. A mutiny has broken out among the provincial police. It is remoured that negotiations are in orneress for the conclusion of an offensive and defensive alliance between Uruguay and Chile on the ground that Argentina has offered help to the revolutionary movement.

50 years ago

Rand Strike Confusion After it had been officially announced in Johannesburg that the Rand labour trouble bad come to an end yesterday; Renter reported that some of the miners were refusing to sign on because the strike leaders were not being re-employed, while certain of he returning miners were informed by mine managements that there was no work for them at present and that they should re-apply in a few days. A meeting then took place between representatives of the South African Mining Unions' joint committee and officials of the Transvaal Chamber of Mines. Pending the outcome of this meeting, the majority of the strikers were not returning to

David Jones tumbles 50% to A\$22m

David Jones, the upmarket Australian department store group. vesterday revealed that after-tax profits slumped 50 per cent to A\$22.3m (US\$17.7m) in the six months to January 25, and said it was "reassessing" its store portfolio.

It warned that while recent reductions in Australian interest rates should improve consumer confidence and lift spending levels expect "any material improvement the stock market in 1995.

The group said pre-tax profits in the second half would be down on the same period a year ago. Firsthalf sales were static at A\$782.6m. News of the profits downturn retail environment. came two days after Mr Chris Tideman, a former retail executive with

the UK's Burton group, quit unexpectedly as David Jones chief executive. His departure is thought to have been triggered by investors' concern over the group's perforin the months ahead, it did not mance since its flotation on

Mr Tideman had been attempting retailer and more recently manag- well". The remainder were "not to give the chain - one of two big department store chains in Australia - a more modern image and increase its appeal to younger shoppers, but ran into a depressed

David Jones's shares have been trading below the A\$2 flotation price for the past year. They closed three cents lower at A\$1.71 The company announced yester-

Mr Dick Warburton, David Jones chairman, who played a key role in orchestrating the management changes, said he did not believe the group's strategies had been wrong. But he continued: "I do believe we could have implemented them

day that Mr Peter Wilkinson, the group's 27 stores were perform- . formerly a senior executive at ing "exceptionally well", and a Coles Myer, Australia's biggest further one-third "reasonably per cent.

ing director of the Just Jeans spe- producing shareholder value" and cialist group, would replace Mr about half of those would be subject to particularly careful

> Before interest and tax, David Jones' overall profits were down from A\$68.5m to A\$45.7m, with profits from retail operations slid-

ing from A\$46.7m to A\$27.2m. Increased mark-downs, new store costs, higher-depreciation and tech-He said that about one-third of nology-related charges were

blamed for the decline. Comparable store sales fell 2.9

pen skies cloud MAS outlook

The Malaysian airline is facing increased competition as it modernises its fleet

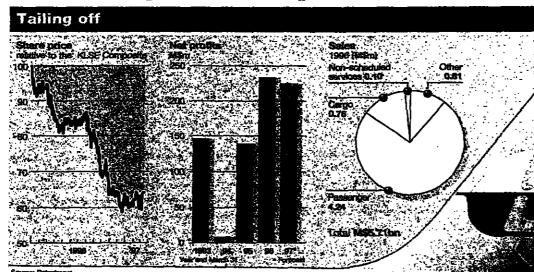
The disgruntled pilots of Malaysia Airlines (MAS), the national carrier, have long been the subject of dinner-table conversation in Kuala Lumpur. Though their complaints have been mild compared with some in the west, they are unusual in a country where industrial disagreements are rarely allowed to leave the boardroom.

This week, however, the airline put an end to four years of wrangling over pilots' wages by awarding a 27 per cent raise to 1,074 of its 1,200 pilots. The threeyear agreement is retroactive to September 1995 and will cost the airline M\$43m

But although the settlement may ease some of the company's troubles, others remain. The carrier is large debts, falling profit margins and in-flight service standards which are coming under increased criticism,

Mr Wan Malek Ibrahim, managing director, said this ny's share price remains week that the company below the M\$7 at which it would have to pay US\$2.1bn raised funds from the stock to buy 15 Boeing 777-200Xs, market last year, it seems for which it signed a memorandum of understanding with Boeing last week. The company has also ordered 10 Boeing 747s, and the total bill is expected to be about MS10bn.

The aircraft should be delivered over the next five vears, meaning the company will have to spend roughly hir Ahmad, the airline's M\$2bn on new aircraft every senior vice-president in year, a company executive charge of commercial says. He adds that in addi-



'the new Kuala Lumpur expanding its fleet despite International Airport, schedaled to open in January 1998. Some analysts are worried

that this level of capital expenditure will add to a large total debt, estimated at M\$6.8bn. Because the compalikely the airline will have to take on more debt. Debt currently stands at about 168 per cent of shareholders'

"There has been a lot of which have been ordered will be too much for us. But say. this is not the case," Mr Basoperations, said recently.

which could be delayed if which the airline hopes to employed on packages which erament's diplomatic endeapayments become difficult, cover some of its capital - even with the pay rise - vours are a further strain. the company is expected to expenditure costs through outstrip local pilots' wages. Flights to Buenos Aires and contribute MS1bn to the cap-selling off the ageing aircraft Cabin crew are also in short Beirut, for example, have

ital expenditure budget for in its fleet, especially Boeing 737s. The company also hopes to lower costs by deploying more wide-bodied 747s to replace 737s on routes such as Kuala Lumpur-Singapore and Kuala Lumpur-Kuching.

Since privatisation in 1994, the main achievement of Mr Tajudin Ramli, the airline's chairman, has been cutting costs by keeping his aircraft in the air for longer. While this irked pilots forced to work longer hours, it has also reduced the break-even load factor from 69.2 per cent in the six months to Septemtalk that the 25 aircraft ber last year to 66 per cent currently, company officials

> hallenges lie ahead. however. There eral

supply and trained crew are often poached by other corporations in Malaysia also suffering from a chronic nationwide labour shortage.

lem is the airline's inability to raise domestic air fares by a required 10-15 per cent because of government concerns that such a rise would fuel inflation and put air travel beyond the reach of a segment of the population. Domestic operations are still loss-making, executives say. "I think domestic fares are

way too low. I think the government will be more amenable in the future." Mr Bas-

In addition, as global competition appears set to intensity with the signing of sev-"open skies" operate to further the gov

poor load factors, and there is likely to be little passenger demand if the airline bows to official pressure and starts flights to Zagreb, the But a more serious prob-Croatian capital.

The new airport should prove a much-needed boon to the airline, allowing it to start many new international routes. It should also help woo back the many Malaysian travellers who currently use Singapore's Changi airport.

However, there are also fears that the airport may act as a Trojan horse for foreign competitors.

Malaysia is sign an "open skies" deal with the US by May, paving the way for unlimited use of landing slots by foreign carriers. But while the current, overcrowremains a shortage of agreements, the marginal ded, international airport trained Malaysian pilots, routes MAS is obliged to acts to thwart such an influx, the new one will have the prospect of competition.

Profits at Daiei 96% below forecast

By Jonathan Annells

Dalei, the Japanese supermarket chain which was at the forefront of the "price destruction" discounting trend in the early 1990s, said recurring profits for the year to March were 96 per cent below its previous fore-

The Osaka-based company said recurring profit would total just Y500m (\$4.1m), compared with a previous

estimate of Y13bn. Without sales of some of its shareholdings, including 2.5m shares in the Takashimaya department store, the company would have been

in the red. Daiei blamed slow sales of winter clothing caused by a milder than average winter. It cut its estimate of fullyear sales from Y2,520bn to Y2,505bn

Mr Masahiro Matsuoka, analyst at BZW in Tokyo, was surprised that Dalei had not changed its forecast earlier, since it suffered a 10 per cent year-on-year drop in first-half sales.

"The big difference between Daiei and other companies is product range," he said. "Since 1995, consumers' behaviour has changed again and they are switching back to brand names, not cheap brands. But Daiei has stuck with them and its own Savings brand.

The company was also d with unprofitable slots to spare - increasing subsidiaries which needed restructuring, and did not leave money for restructur-James Kynge | ing at parent level.

ASIA-PACIFIC NEWS DIGEST

Santos earnings leap 40% in year

Shares in Santos, the Australian energy group, jumped 5 cents to A\$5.03 yesterday after it announced a 40 per cent increase in after-tax profits for the year to end-December to A\$195.9m (US\$155.2m). Earnings per share were up 40.4 per cent, at 36.5 cents, while total revenues increased 8.4 per cent, to A\$814.5m. There were no abnormal items in

Mr Ross Adler, Santos managing director, said the result was due to record production and sales revenues, coupled with higher prices and lower exploration write-downs. The effect of the stronger Australian dollar on sales revenue was largely offset by foreign exchange gains on US dollar debt. The result was also boosted by contributions from assets recently acquired from Parker and Parsley, the US-based independent, and MIM, of Australia. Reserves increased during the year by 157 barrels of oil equivalent, to 860m boe, while spending on exploration rose 37.8 per cent to A\$121.1m.

Santos said it expected after-tax profits in 1997 to be comparable to the year just ended "subject to no material change in oil prices, exchange rates and interest rates". Production, it added, should also be in line with 1996's

Indofood stake for Sampoerna

The controlling shareholder of Hanjaya Mandala Sampoerna, one of Indonesia's leading clove cigarette manufacturers, has acquired a 5.63 per cent stake in Indofood Sukses Makmur, the country's largest noodle manufacturer. H.M. Sampoerna said the acquisition by Mr Putera Sampoerna was made in a personal capacity.

The purchase comes as Indofood plans to acquire 11 companies, including one of the country's largest distribution companies and six plantation groups, in the face of strong resistance from minority shareholders. Indofood is majority-controlled by the Salim Group. Indonesia's largest conglomerate. Mr Sampoerna's acquisition makes him the largest non-Salim shareholder Manuela Saragosa, Jakaru

St Barbara woos Mt Leyshon

The troubled St Barbara Mines is making an all-share offer for Mt Leyshon Gold Mines, a fellow Australian goldminer in which Normandy Mining, Australia's largest gold producer, has a 75.6 per cent stake. It said that the deal would create a "significant" gold company, with annual production of around 350,000 ounces, which would appeal better to domestic and international investors. If successful, the offer, an exchange of 32 St Barbara shares for every 10 Mt Leyshon shares, would reduce Normandy's stake in the combined group to 41.3 per cent. St Barbara said yesterday that in preliminary discussions Mt Leyshon had said it would be "receptive" to an offer.

Delta Gold up 45% halfway

Delta Gold, the Australian mining group which owns 33 per cent of the Hartley platinum mine in Zimbabwe alongside BHP, yesterday posted a 45 per cent increase in profits after tax in the six months to end-December, to A\$10m (US\$7.9m). It also paid out its first dividend, of L5

Arnotts slides to A\$8.5m

Arnotts, the Australian food manufacturer 70 per cent owned by Campbell Soup, of the US, yesterday confirmed that profits fell to A\$8.5m (US\$6.7m) after tax in the six mouths to January 24, compared with A\$38.7m a year ago. Revenues slipped from A\$359.5m to A\$344.5m. The group blamed a change in the year-end from December to January and the costs of commissioning a new plant. But it also said its core biscuit market had been flat.

1711

1996 results

Enhanced globalization, substantial reduction in debt, profits confirmed.



The Board of Directors of Chargeurs International approved the audited accounts of the company for 1996 at its March 11, 1997 meeting chaired by Eduardo Malone,

Chargeurs International was formed by the 1996 demerger of CHARGEURS FARRICS Chargeurs. An international industrial group employing 7,000 people, it now operates in four highly specialized but Chargeurs Wool (which processes raw wool into wool tops), Chargeurs Fabrics (which produces innovative woolen garment fabrics), Chargeurs Interlining (which designs and manufactures interlining for the apparel industry) and Chargeurs Protective Films (which produces adhesive films for the temporary protection of surfaces).

Consolidated income statement

| in millions of francs | 1996 | 1995 |
|-----------------------|-------|-------|
| Sales | 8,671 | 8,819 |
| Operating income | 353 | 394 |
| Net income/(loss) | 136 | (65) |
| Capital expenditure | 439 | 480 |
| Shareholders' equity | 3,705 | 3.389 |
| Earnings per share | 18 | n,s. |

Chargeurs International's consolidated sales for 1996 held firm compared with 1995, at FF 8.7 billion, 84% being generated outside France. Asia accounted for almost a third (31%) of

Operating income amounted to FF 353 million, slipping FF 41 million, as a result of the Chargeurs Wool business.

Chargeurs International successfully turned around a ner loss of FF 65 million in 1995 to net income of FF 136 million

Financial structure

The debt of Chargeurs International has been brought down by FF 1.9 billion, from FF 3.8 billion in the balance sheer drawn up at the time of the demerger as at December 31, 1995 to FF 1.9 billion as at December 31, 1996. The decrease was primarily due to FF 1.3 billion generated by an improved management of working capital requirements. Consolidated shareholders' equity amounted to FF 3.7 billion.

Contribution by business

| CHARGEURS WOOL | | |
|-----------------------|-------|-------|
| in millions of francs | 1996 | 1995 |
| Sales | 4,058 | 4,517 |
| Operating income | (24) | 47 |

 Chargeurs Wool's sales declined by 11% due to the negative impact of prices for both raw wool and wool tops. Operating income decreased by FF 71 million, primarily due to the drop in sale prices stemming from worldwide overcapacity in wool processing, to the under-utilization of

combing factories and to the fact that processing activities in France and Germany were not sufficiently competitive. These factors have led the Group to adopt far-reaching measures to reduce capacity and introduce new methods of risk management for raw wool.

| in millions of francs | 1996 | 1995 |
|------------------------|--------------|--------------|
| Sales Operating income | 2,059 144 | 2,174 153 |

For Chargeurs Fabrics, sales dipped slightly, down 5%, primarily as a result of a drop in sales for automobile fabrics and texnile

Operating income recorded a small decrease, mainly due to

| in millions of francs | 1996 | 1995 |
|-----------------------|-------|-------|
| Sales | 1,984 | 1,647 |
| Operating income | _ 178 | 149 |

from an increase in the scope of consolidation with the inclusion of revenues from the companies acquired in North America (Crown and Canada Hair Cloth) and from DHJ's South American subsidiaries.

The 19% rise in operating income was generated by synergies arising from these acquisitions.

| CHARGEURS PROTECTIVE F | ILMS | |
|------------------------|------|------|
| in millions of francs | 1996 | 1995 |
| Soles | 570 | 482 |
| Operating income | 83 | 56 |

 Chargeurs Protective Films' strong growth in sales (+18%) resulted from an increase in the scope of consolidation with the inclusion of full-year revenues from Boston Tapes. Operating income rose by a significant 48%, again due to the generation of maximum synergies between Novacel and Boston Tapes which spurred high productivity gains.

Chargeurs International Company accounts come net of taxation stood at FP 399 million, mainly because of gains obtained through the French tax clearance system enforced in the Group and from the write-back of provisions booked by Chargeurs for subsidiaries, which are no longer

At the Annual General Meeting called for May 7, to approve the accounts for 1996, the Board intends to propose payment of a dividend of FF 7, excluding tax credit (FF3.50).

The Group is continuing with its active recovery program for Chargeurs Wool. Since the beginning of the year, this business has been boistered by favorable raw wool prices and by an increase in the order book compared with February 1996. In addition, current exchange rates favor all Group businesses, Barring a downturn in this situation, Chargeurs International is set to maintain its upward trend in earnings in 1997, while continuing to focus on global expansion.

Corporate Communications: 33.1.49.24.40.10. Chargeurs International on Internet: http://www.chargeurs.fr

Cathay beats expectations

By Louise Lucas in Hong Kong

Cathay Pacific Airways, Hong Kong's de facto flag carrier, yesterday beat market expectations by reporting a 27.9 per cent rise in annual net profits from HK\$2.98bn in 1995 to HK\$3.81bn last year.

However, the bottom line exceptional gain and lower tax bill. Growth at the operating level was a more marginal 0.6 per cent, from HK\$3.77bn to HK\$3.79bn.

Mr Peter Sutch, chairman,

factory given adverse currency rates, higher fuel costs and competition. He highlighted the airline's efforts in cost control, which helped reduce interest costs.

The exceptional item. relating to Cathay Pacific's caution that Dragonair with share from the sale of Dra- its powerful backer - respon- the existing facility. It will cents to 53 cents.

from a restructuring in the leading competitor. territory's aviation industry unveiled last year. Under that reorganisation,

Cathay Pacific sold a 12 per cent stake in Dragonair to CNAC, the commercial arm of the Chinese aviation regulator. The UK-controlled Swire group saw its holding figures include a HK\$541m in Cathay reduced from 52.6 taken up by Citic Pacific. The latter, the Hong Kong arm of China's flagship investment company, lifted said the results were satis- its stake in Cathay from 10 per cent to 25 per cent.

Yesterday Mr Sutch called the restructuring a welcome move which created more stability and certainty within the industry. Analysts are more wary, and island which is expected to

Looking ahead to 1997, Mr

Sutch said challenges remained with yields staying problems on exchange rates and high fuel prices. The weak yen last year depressed passenger yields, although this was partially offset by an increased passenger load per cent to 44 per cent fol-lowing a share placement points. The airline would meet

> with a new and more efficient fleet and the opportunities offered by Hong Kong's new airport due to come into service in a year's time. Cathay has now invested more than US\$1bn in the new airport on Lantau

these challenges from a posi-

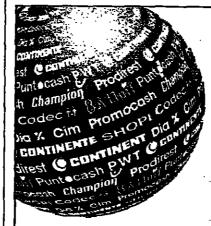
tion of strength, he said.

gonair, Hong Kong's sible for allotting routes in ultimately have two fine regional carrier, stemmed China - stands to become a ways and no night time city. ways and no night time cirfew, eliminating the current

> Mr David Turnbull & executive, warned that will the new airport offered exer remain competitive if House Kong was to fend off compe-tition from other hubs in the

While the results were were cautious on upgrading 1997 forecasts. The stock has underperformed the market by 27 per cent in the past

Earnings per share for the carrier rose 15 per cent. From HK\$1.04 to HK\$1.19 last year. Excluding the exceptional item, earnings dipped 1 per cent from HK\$1.04 to HK\$1.02. The dividend was relieve heavy congestion at lifted 10.4 per cent, from 48



17,892,795 to 19,143,270.

₩ groupe Promodès

1996 consolidated results

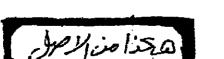
| | <u>-</u> | 115 | |
|---|-----------------------|---------|---------|
| FF millions | % change 1996/1995 | 1996 | 1995 |
| Retail network sales (trade volume) | + 5.2% | 168,024 | 159,664 |
| Net Sales | + 2.9% | 103,535 | 100,576 |
| Earnings before interest, faxes and extraordinary items | + 9.1% | 2,384 | 2.186 |
| Income on ordinary activities | + 15.3% | 2,340 | 2,029 |
| Net income | + 20.6% | 1,468 | 1.217 |
| Net income excluding minority interests | + 22.0% | 1,247 | 1 022 |
| Earnings per share (FF) | + 14.0% | A5 1 | 57.7 |

in the last quarter of 1996, the Group's consolidated net sales rose by 6.8%.

On a comparable structure and constant exchange rate basis, excluding the impact of the divestment of PROMOHYPERMARKT in Germany and DIA in both France and Italy, and the acquisition of a controller. Interest in GRUPPO G, sales would have risen by 7%.

Earnings before interest, taxes and extraordinary items were trimmed by FF 119 million, reflecting the negative impact of the operations in Germany. Moreover, the disposal of PROMOHYPERMARKE is C. to a non-recurring expense of FF 189 million. Cost-flow stood at FF 3,019 million. At the Annual General Meeting of May 21, 1997, the Board will propose a net dividend of FF 14 per share an increase of 16.7% on last year. Following the conversion of bonds, the number of shares has risen from

INTERNET: http://www.promodes.fr



"The key to success is your passion."

KROEE



Thursday March 13 1997

KYOCERA, world leader in high-tech corns continually develops new uses for its technology ronics and metal processing. KYOCERA also produces high-tech cameras such

as the CONTAX G1, revered by photographers

₹KHDCER8

IN BRIEF

Intel announces **Internet venture**

Intel, the leading supplier of personal computer chips, joined with Société Européenne des Satellite, the Luxembourg operator of the Astra European satellite TV system, to create a venture aimed at delivering Internet content to PCs in Europe. Page 22

Cathay Pacific beats expectations Cathay Pacific Airways, Hong Kong's de facto flag carrier, beat market expectations by reporting a 27.9 per cent rise in annual net profits from HK\$2.98bn in 1995 to HK\$3.81bn (\$491m) last year. Page 18

Krupp Hoesch net profits fall 59% Krupp Hoesch, the German steel and engineering group which has undergone a radical restructuring in recent years, registered a 59 per cent fall in net profits, from DM505m to DM208m (\$122m) for 1996. Page 20

Pay for Wall Street executives at record Compensation for top Wall Street executives in 1996 reached new highs, according to company proxies filed in recent days. While base salaries remained a small proportion of total remuneration, bonuses and other performance-related pay soared. Page 22

a. Weeds =

A State of the state of the

America Online to branch out America Online, the US-based information provider, plans to branch out from the Internet and distribute its services through television or other media. Steve Case, chairman, said his group was likely to make announcements later this year on pilot programmes. Page 22

BP to reach profit target early British Petroleum's target to raise underlying annual profits to \$1.5bn by the end of the decade will be reached at least a year early, largely because of a sustained 5 per cent a year expansion of oil and gas production. Page 23

Another remarkable gold month February was another remarkable month in the gold market, with deals worth \$14bn cleared every working day in London – the international settlement centre for gold bullion. The total of 40.3m troy ounces, or 1,253 tonnes, topped that of January. Page 26

10 Lauda Air

| Companies in ti |
|------------------------|
| AES Electric |
| Adolfo Domínguez |
| Aerospatiale |
| . Ageo |
| Agip |
| Ajinomoto |
| Alcatel |
| America Online |
| Apple Computer |
| Arnotts |
| Austrian Airlines |
| BankAmerica |
| Bankers Trust |
| Barcleys |
| BellSouth |
| British Altways |
| British Petroleum |
| Cathay Pacific |
| Chargeurs Int'l |
| Grédit Lyonnais DLJ |
| OSL Finance |
| Date |
| David Jones |
| -Detta Gold |
| Deutsche Telekom |
| B |
| Empresas Polar |
| General Electric Co |
| Gineral Motors |
| O-F-L |

HM Sampor 18 Thomson-CSF 22 Tovs 'R' Us J.C.Bamford 10 USAirways lapan Telecom

iohnaon & Higgins

of the confi

oleum pk

& Co Links

frantgan Grei

20 Malaysia Airlines 26 Marsh & Mac Microsoft 20 Minorco 22 Morgan Stanley 22 Mt Leyshon Gold 18 NLNG 20 NTT 22 North Avon Investment 10 23 Northern Foods 22 Novo Nordisk 22 Nursing Homes Proprt 23 OM 18 PointCest Portugai Telecor Reed Elsevier 24 Rentokil 16 18 Rentokii initia 18 Rodamco .18. SBC Warturd 20 SES 26 Sabena Same Santos 20 Sheli 18 Société Générale 20 St Barbara Mines 18, 17 Sun Life Assurance 22 Swis 23 Thomson Corporation

KOD Krapp Hossch Kraemer Govan Latange 20 WPP 10 Whitbread 20 WorldCom Market Statistics http://www.FT.com 30-31 FTSE Actuaries share indices Annual reports service and futures and potions GBIS prices London share service go prices and yields Managed funds service Money markets Dividends announced, UK BMS corrency rates New inti bond issues Exception of prices of the contract of the con Bourses Recent issues, UK

Viag ·

Victorias Milling

Vision Networks

Short-term int rates

| FLASMA Ind b | index | | US interest rate: World Stock Ma | | • | 24 33 |
|--|------------------|----------|-------------------------------------|------------|----|----------|
| | | hai | nges yes | terc | la | У |
| TANGE URT | (D#E) | ٠-; | PARES (FF+) | | | |
| - | | | Talle | | | 18 |
| | 1267.5 + | | Accor | 824 243 | _ | |
| A COLUMN TO SERVICE SE | 951.5 + | 7.5 | DNP | 341 | - | |
| No. | 549 - | 14. | Cap Gamini S | 780 | | 37 |
| and Marin. | 549 - | | Foric Lyon | 453 | | 14.9 |
| Processor | | | Store | 541 | = | |
| None and | . 445 - 753 - | 12 | UFB Locati | 341 | - | 13 |
| MEN YORK | rea '35 — | " | ·Rises | | | |
| | PRO | • | Daicel Chem | 496 | + | 18 |
| Ade Silican Dev | 46% + | 5 | Sanden | 97B | - | 19 |
| Tr. Com | -1314 + | ž | Falls | 910 | _ | 1.5 |
| Western Detr | 63% + | 514 | Done F& M | 480 | _ | 22 |
| James, State of the last of th | | - | High Motors | 735 | | 30 |
| Charles | 19% - | 3% | Naceta 600 | 209 | | |
| Mak Processes | 8 - | | Nagara Signal | 895 | | 35 |
| Street Kleen | 1516 - | | HONG KONG | | _ | - |
| New Processes Solety Viges \$100000000 per | moel | | Rises | Tares. | | |
| Place | | | Rok E Asia | ·26.9. | _ | 0.55 |
| And Co. | 220 + | 1814 | New Asia Rily | 29.0 | | |
| Physiological | 857½ + | 24 | Falls | 20.0 | • | |
| Shak Dynate | 717% + | 62% | New Wild Dev | 43.1 | _ | 1.8 |
| | | | Tale Edicast | 33.0 | | 1.7 |
| Extended. | 170% = | | Wing Lung Bok | 53.0 | | |
| Rentold. | 415% - | | Wheer Prop | 15.2 | | 1.8 |
| Stokia Hidge | | 30 - | BANCKOK (B) | | | |
| TORONTO (| | - | Rices | | | |
| Bi Esp Lants | 8.25 ÷ | 0.65 | | 64.0 | + | |
| S Pholic | 520 + 590 + | 4.5 | Louisy Publ . | 1320 | + | 120 |
| Sefe: | | 45 | Procious Solo | 50.6 | + | 4.5 |
| Page 1 | | · · | Pelle | | | |
| AND B | 10.5 - | 1.3 | BBoca: Deerout | 23.5 | - | 25 |
| TTC HINGS | | ٠٠٠ | Carpets inter | 33.75 | - | 3.75 |
| _ | | | | | | 100 |

Hoechst scraps plan to spin off drugs unit

Shares lose 8% as group abandons scheme and makes quarterly loss

By Jenny Luesby in Frankfurt

Shares in Hoechst, the world's largest drugs and chemicals group, tumbled 8 per cent yesterday after the group revealed it had abandoned plans to seek a separate listing for its pharmacenticals business.

It also revealed fourth-quarter results well below expectations and warned of further restructuring charges this

The German group's shares, down DM6.06 to DM69.14 yesterday in Frankfurt, had been pushed ahead by its declared plans to split itself into drugs and chemicals companies and list them separately.

Pharmaceuticals companies are traditionally far more profitable than chemicals compa-

attract a higher rating. For conglomerates spanning both activities, the value of the drugs business tends to be disproportionately diminished by the chemicals business. Last year Hoechst said a

public offering for HMR, its drugs business, was a priority and hinted at a listing as early as this year. However, yesterday, Mr Jürgen Dormann, chairman, said the group no longer planned to list HMR. It would still seek a drugs industry rating for its shares, but aimed to achieve it by emphasising life sciences within the Hoechst group, rather than by spinning them off.

The group's life science businesses, which include AgrEvo, the agrichemicals joint venture with Schering, would grow faster than its other D-Marks with its banks.



st chief Jürgen Dormann speaks to reporters at the company's annual news conference in Frankfurt yesterday

activities, Mr Dormann said Also, Hoechst's financial flexibility had been improved following its speciality chemicals joint venture with Clariant of Switzerland. Under the deal, Clariant will assume DM3bn (\$1.7bn) of Hoechst debt. It was also negotiating credit of several billion

Meanwhile, the group plans to accelerate its exit from chemicals. It has already agreed joint ventures with the German groups Wacker and

BASF for two of its plastics businesses, and is negotiating a third with British Petroleum. Yesterday, it announced a joint venture with US group

Behring diagnostics business 32 per cent minority stake. Increased fourth-quarter

sales and profits in HMR were more than offset by declines in the fibres, plastics and basic chemicals businesses. A surprise DM400m restructuring charge resulted in a loss for Dade International for its the quarter.

Full year sales fell 2 per cent in which it would retain only a to DM50.93bn. Operating profits increased by 12 per cent to DM4.01bn, flattered by a DM710m gain on disposals. Including exceptionals, pre-tax profits were DM5.28bn, compared with DM4.09bn last time.

Lex, Page 16

Markets cautious **D-Mark** bond issue

By Edward Luce in London and Andrew Fisher in Frankfurt

European bond traders yesterday expressed reservations about the timing of today's debut Russian D-Mark bond issue which they say coincides with the rockiest period so far this year for emerging market debt.

Russia's DM1.5bn (\$882m) eurobond, which is expected to be priced to yield between 3.25 and 3.75 percentage points above German government bonds, follows the poor reception given to other emerging market bond issues in the past fortnight.

Worries about a possible rise in US interest rates at the Federal Reserve's meeting on March 25 have sharply depressed emerging market bond prices.

The average yield spread or risk premium - paid ou emerging market debt over US Treasuries has widened from 390 basis points to 450 basis points in the past few days. though it has improved on the 500 basis points it had reached 10 days ago. A basis point is a hundredth of a percentage

"This is unfortunate timing." said one bond analyst in London yesterday. "Russia will have to price the issue quite generously if it is going to get a good reception from

The issue is jointly managed by Credit Suisse First Boston and Deutsche Morgan Grenfell. Traders said they expected the offering - Russia's second eurobond since it launched a \$1bn five-year bond in 1996 - to give investors an annual coupon of almost 9 per cent a year for investors or up to 3.75 percentage points more than seven-year German government bonds. "If the coupon is as high as 9 per cent then investors could not ignore it," said a syndicate official in London. "The markets after all cannot ignore the return of President Boris Yeltsin to

political bealth." At a roadshow for the bond in Frankfurt yesterday, Russian officials said that Russia also planned to issue a further \$2bn in eurobonds in the next few months.

Mr Mikhail Kasanyov, deputy finance minister, said that after the D-Mark issue most borrowings in 1997 would be in dollars. However, other currencies, including D-Marks, were being considered. He also said he hoped inter-

national rating agencies would upgrade their assessments of Russia's creditwor-

Capital markets, Page 24

SBC outpaces on Russia's rivals to raise income by 21%

per cent to SFr10.75bn (\$7.30bn), helped by strong growth in fees, commissions and trading income, as the group took advantage of buoyant financial markets.

The growth in income was faster than that recorded by Union Bank of Switzerland and Credit Smisse, SBC's bigger rivals, and the 15 per cent growth in personnel expenses, to SFr4.2bn, was less than that of the other two. Like its rivals, the group recorded an overall loss for the year because of a large provision – SFrL9bn in SBC's case - for

had loans and restructuring. Earnings were boosted by strong growth at both SBC Warburg, its investment banking arm, and its fund management operation SBC Brinson. SBC's shares, which had already risen by a fifth this year, rose a further SFr7 to

SBC Warburg, which raised pre-tax profits by 54 per cent to SFr1bn, disclosed a breakdown of its earnings among its main business for the first time, showing strong perfor-

SBC Warburg also confirmed that it was being investigated Swiss Bank Corporation, by UK financial regulators Switzerland's third-largest over an incident last October financial group, increased its in which it mishandled the operating income in 1996 by 21 sale of £300m (\$489m) of Euroan shares on behalf of a ish investment trust.

The mistake is thought to have cost SBC Warburg no more than £5m, but led to the departure of two members of staff, including Mr Peter Corrigan, head of French equities. and the disciplining of several other staff members.

Mr Marcel Ospel, SBC's chief executive, said that overall results showed it was strengthing its earnings capacity and not just relying on cost-

The domestic Swiss retail arm reduced its losses from SFr182m to SFr116m. Analysts agreed that SBC

had started to show an improvement in quality of earnings and had curbed costs better than rivals.

Mr Ospel said private banking, which increased profits by 19 per cent to SFr1.3bn nained the "strongest profit driver" in the group. SBC Brinson separately increased its profits by 81 per cent to SFr111m, partly due to strong markets.

SBC embarrassment, Page 19

mances in both its equities and fixed income operations. Swissair to act on

losses at Sabena

By Neil Buckley in London

Swissair said it would probably write down to zero its \$210m investment in a 49 per cent stake in Sabena after the Belgian airline announced 1996 losses exceeding all expectations. The Swiss carrier said the

decision, expected to be approved at a board meeting next month, would enable it to avoid consolidating Sabena's losses in its group results. Mr Philippe Bruggisser, Swissair chief executive, said

yesterday Sabena remained "important" to Swissair, but there were "no guarantees that Swissair will hold its stake in Sabena permanently". Swissair, which made its

investment in July 1995. warned previously it would examine Sabena's first-half 1997 results in July to ensure they were in line with projections.

Sabena has been dogged by rumours in Belgium that Swissair was preparing to withdraw from its investment, or even break Sabena up and share its routes between itself and its partner airlines including Delta of the

US and Austrian airlines. Sabena reported that consolidated losses jumped from BFr1.66bn (\$47m) in 1995 to BFr8.87bn last year - more than twice industry forecasts. But the airline said BFr4.1bn of the losses were exceptional costs, partly related to its

Mr Paul Reutlinger. Swissair-appointed chief executive, said the results were "dis appointing", but did not mean the "Horizon '98" costcutting programme was failing. The plan aims to return

restructuring.

Sabena to profit by next year, by cutting some BFr4.7bn from annual operating costs - half from operation improvements and half by cutting employee costs through a reduction in the workforce and more flexible working.

Mr Reutlinger said operating losses of BFr4bn last year reflected both higher-thanexpected costs and disappointing passenger figures.

Costs were pushed up by the need to lease additional capacity for new routes, delays in achieving planned cost cuts, increased fuel prices, and an unexpected Airbus A310 maintenance programme.

MasterCard chief to run Bank America retail arm

Tracy Corrigan in New York

BankAmerica, the third largest US bank, has lured Master-Card's chief executive Mr Eugene Lockhart to run its retail banking network of western states.

The appointment ends five months of uncertainty at BankAmerica, since the announcement last October that its two most senior retail bankers, Mr Thomas Peterson and Mr Luke Helms, were to leave the company.

Mr Lockhart, who led MasterCard's advance into smart card technology through its stake in Mondex, will now have to grapple with the bank's huge branch network, including more than 1,000 branches in California alone.

As president of BankAmerica's global retail bank, a

Coulter, the company's chairman and chief executive, whose background is in corporate banking. The bank said that other areas of business would also fall under Mr Lockmore than 2,000 branches in 11 hart's jurisdiction as the company "evolves to a basic retail/

> BankAmerica already has a strong wholesale presence in foreign exchange and loan syndication and wants to develop its investment banking. In its West Coast retail base,

wholesale structure."

BankAmerica faces a strong challenge from Wells Fargo of San Francisco, which last year bought Los Angeles-based First Interstate and has embarked on an aggressive branch closure programme. Wells Fargo has decided to concentrate on online banking and supermarket outlets. Mr Coulter hinted at Lock

newly created position, he will hart's task when he comreport directly to Mr David mented on the appointment, saying: "He's especially adept at guiding financial services cal change. Last year the bank took a

\$280m restructuring charge to cover the closure of 120 full service branches in California. and there is speculation on Wall Street that a more radical restructuring will prove neces sary. BankAmerica's retail bank includes consumer and small business assets of \$91bn

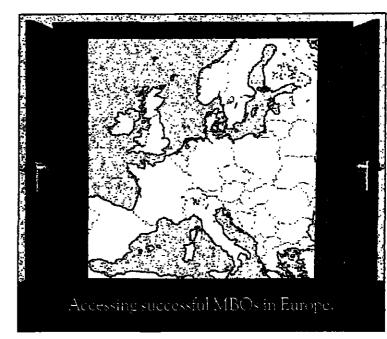
and deposits of \$96bn. While at MasterCard, Mr Lockhart led efforts to use technology to diversify from its core credit card business. experimenting with electronic cash cards. Last month, it completed its acquisition of a 51 per cent stake in Londonbased Mondex International.

Observer, Page 15

European Management Buyouts

28 April, 1997

The Café Royal, London W1



Continental Europe is the next frontier for MBOs and this one day conference will show you how to initiate a deal as well as to guide you through the cultural, legal and accounting differences within Europe. Key industry speakers, with recent transaction experience, will cover the major topics. There will also be analysis of

Open the door to making the most of Europe's potential by attending this conference.

For more information please contact: Maxine Streeter, Acquisitions Monthly Conferences

Tudor House, 78 Mount Ephraim, Tunbridge Wells, Kent TN4 8BS, United Kingdom. Tel: +44 1892 537474 Fax: +44 1892 531343

Presented by

Acquisitions

▲ Bankers Trust

Viénot calls for break-up of Lyoniais

By Andrew Jack in Paris

The chairman of Société Générale. the French banking group, yester-day called for Crédit Lyonnais, its state-owned rival, to be sold in segments in an effort to avoid a huge additional recapitalisation.

Mr Marc Vienot argued that Crédit Lyonnais's Asian activities. activities should be sold separately to raise money, as an alternative to ernment. the latest injection of state aid which could amount to at least FFr30bn (\$5.2bn).

His comments came as new estimates discussed by the French months, also yesterday unveiled

payers of rescuing Crédit Lyonnais could run to FFr130bn.

Mr Viénot, who has launched legal action in the European court of justice against previous state aid packages, of nearly FFr50bn, in the past two years for Credit Lyonnais, has been a long-standing its domestic network and other critic of the restructuring measures taken by the French gov-

> The chairman of Société Générale, who is expected to hand over control to Mr Daniel Bouton, the managing director, in the coming

national assembly finance commis- net income for his own bank in almost unchanged at FFr4.8bn, to FFr43.1bn.

He said the figures showed that even in France, characterised by competitive distortions and intense pressure for business, it was possible to operate a domestic retail network profitably with "rigorous. dynamic" management

Mr Vienot defended the price that Societé Générale had paid to purchase Crédit du Nord, the retail banking arm of Paribas, in a transaction which was finalised this week for FFr2.2bn.

Provisions against lending were

sion suggested the total cost to tax- 1996 up 19 per cent to FFre.5bn, on but the group took FFr600m in net banking revenues up 9 per cent exceptional charges, including FF1500m to cover the cost of preparations for the single European

> Separately yesterday, the Caisse d'Epargne, the French savings bank network, reported net income for the year up 11 per cent to FFr1.8bn on banking revenues ahead 5 per cent to FF127.6bn.

> Retained profits helped boost the capital of the group 4.4 per cent to FFr64.8bn for the year, giving it a return on equity of 44 per cent, compared with 8.7 per cent for Société Générale.

Its lovreturn has been at the centre f criticisms launched by the anmercial banks of the

Howev, Mr René Barberye, chairmant the Caisse d'Epargne, said he ould be satisfied with a return o equity to those with a stake in a network of about 4 per cent, conderably below the objectives for rance's banks and other quoted capanies.

The irrease in profits came in spite of sharp decline in deposits from the Livret A governmentbacked te-free savings scheme, in the wakof a cut in the interest rate earlyast year.

Grolech/Heineken Hoesch profits fill 59%

in Pankfurt

Krep Hoesch, the German Itslamed the decline on

whit had hit its core steel activies particularly hard. Hoever, the group forecastan improved performan this year and said it woulkeep its promise of a

sincelrupp Hoesch became a joit stock company in

It stributed its confidence for the current year to an expeed upturn in Europeanteel demand and to posite effects resulting

steel ctivities. tion oAST, the Italian specialisticelmaker, Uhde, the

DM18 The esults matched ana

The ompany, the world's leadingroducer of stainless steel, said all divisions.

restructing.

Erupp

By srah Althaus

steeand engineering group whit has undergone a radical estructuring in recent year, yesterday registered a 59 pr cent fall in net profits, from DM505m to DM:8m (\$122m) for 1996.

wea economic conditions,

divided for 1996. Th payout would be unchaged at DM5, marking onlythe second dividend

from restructuring of its Preax profits dropped 48 per cut to DM336m, while turnour edged up 2 per cent to Dh4bn, mainly because of the first-time consolida-

plant pecialist, and Bachmann the shipping company. Net earnings per sharefell from DM26 to

lysts' expectations but the weake market.

excluing steel, had reporte a profit before tax. The seel sector, which in 1995 cotributed almost half the grap's pre-tax profits, was h by extraordinary charge connected with its

Krup-Hoesch has said it expectsto cut 2,200 jobs in

EUROPEAN NEWS DIGEST

State veto to stay on Thomson-CSF

The French state is to retain a veto over significant changes in the ownership of Thomson-CSF, the defence electronics giant, after its privatisation later this year. This became clear yesterday with publication of the detailed conditions regarding the sale. Bidders are being asked to make preliminary offers by March 28, with a winner expected to be chosen by June 30.

The process is expected to pit Alcatel Alsthom, the telecoms and engineering group, against the Lagardère congiomerate in a repeat of the abortive contest last year, when the government tried and failed to sell the entire Thomson group. Alcatel last night confirmed it would make a joint offer for Thomson with an arm of Dassault, the aircraft maker, its announcement came a day after the authorities decided to exclude Aerospatiale, the state-owned aircraft maker expected soon to merge with Dassault, from being a candidate in the sale, either alone or in a joint bid. This was initially portrayed as a blow to Alcatel. It emerged last month Alcatel was in talks with Aerospatiale and Dassault to mount a joint bid.

Yesterday's details made clear that Thomson's privatisation will be achieved through a trade sale of just over 50 per cent of the company's shares. In addition, between 5 and 6 per cent of the shares will be reserved, on preferential terms, for Thomson employees. Nearly 42 per cent are already in public hands. Candidates must have at least FFr5bn in equity capital and the same amount in annual turnover in the professional and defence electronics fields. In the case of a group bid, the lead company must plan to hold more than a third of Thomson's capital or voting rights.

The government said its aim in the sale was to facilitate the development of an electronics pole around Thomson that would "contribute effectively" to the restructuring of the European defence industry. It said it would retain a golden share and would require the government's approval for any transaction that would result in 10 per cent or more of the company's voting rights or capital changing hands. It would also have a non-voting representative on the company's board.

David Owen, Paris

Portugal Telecom rises 52%

Shares in Portugal Telecom reached a record high yesterday as it reported a 51.5 per cent increase in net consolidated profit last year to Es54.9bn (\$321m), up from Es36.25bn in 1995. The increase, well above analysts' forecasts of about Es52bo, comes ahead of a third global offering of Portugal Telecom expected in September, and selection of an international partner by April.

After reaching a record Es6,650 in early trading: the shares closed at Es6,448 yesterday, down from Es6,545 at Tuesday's close. Analysts said most investors had discounted the expected profit growth earlier in the week. The group's higher than forecast profit growth was partly result of a lower than expected tax rate of 47.4 per cent of total earnings, compared with 58 per cent in 1995. Pre-tax profit of Es103.5hn, up from Es79.6hn in 1995, was in line with analysts' forecasts.

Exchange merger protested

A planned merger between the Stockholm Stock Exchange and OM, the Swedish derivatives exchange operator, hit a snag yesterday when four banks which ogether own 20 per cent of the stock exchange objected. Svenska Handelsbanken, Nordbanken, Swedbank and Föreningsbanken said they opposed a deal which would make the merged exchange a subsidiary of OM Group, a isted company which includes the OM option exchanges

and owns 21 per cent of the Stock Exchange. It appeared one concern was the influence set to be Wallenberg industrial empire. Investor, the main Wallenberg investment vehicle, is the biggest shareholder in OM and has a policy to be the dominant owner in companies in which it holds stakes.

"We support the creation of a single market place, but the problem is the ownership structure," said Mr Björn Andersson, head of Handelsbanken's markets department and a member of the stock exchange board. "We are very hesitant that the parent company of the new bourse should be a listed company. We want to be guaranteed that we have a broad shareholding and not a very concentrated ownership."

OM expressed surprise at the objections, which were made public only days after the proposed merger was given the green light by a government-commissioned report which made no mention of the ownership issue. A merged bourse would create a common market for Swedish equities and derivatives trading and would be the dominant exchange in the Nordic region. OM and the Stock Exchange see a merger as the best way to fend off growing competition from foreign markets and to attract more international liquidity to Stockholm. Hugh Carneau, Stockholm

Lafarge pleases investors

Shares in Lafarge, the French building materials group, began to recover yesterday from a 3 per cent fall on Tuesday, in spite of weaker profits. The shares closed up 1.2 per cent at FFr372. Although Lafarge's net attributable profit fell from FFr2.35bn in 1995 to FFr1.85bn (\$322m), the 3.2 per cent rise in operating profit to FFr4.17bn was better than anticipated, analysis said. The group also forecast a "significant" improvement in 1997, underpluned by an anticipated rise in sales of more than 10 per cent.

ADJUSTMENT TO SUBSCRIPTION PRICE

:Hansol

HANSOL PAPER CO., LTD

We, Hansal Paper Co., Ltd., Seoul, Korea (the "Company") are hereby pleased to notify the holders of the Company's Warrants that the Company mode on adjustment to the Subscription price of Hansal Paper's Warrants issued on 26th May 1994 from KRW31,218 to KRW30,516 according to Clause 3 of the Instrument to be dated 26th May 1994,

By: Gifbornk, N.A. (Corporate Agency & Treat), Agent Book CITIBANG

U.S.\$37,500,000 Flooting Rate Notes des 1777 nts to schembe for Hon-rolling Shares of the Hensel Paper Co., lid

German group in talks on phone projects

By Raiph Atkins

Mannesmann, the German industrial conglomerate, is in talks on up to 15 mobile telephony projects around the world, which would build on the strong performance of its mobile inter-

ests in Germany. The expansion plans come as Mannesmann gears up its telecoms activities for full liberalisation of the German market next year. Yesterday, Mr Peter Mihatsch, board member with respon-sibilities for telecommunications, fired the latest shot in an increasingly vocal row with Deutsche Telekom.

Speaking at the CeBit computer and telecommunications fair in Hanover, Mr Mihatsch warned that disputes over "interconnection" arrangements with Telekom would be taken to the European Commission if a satisfactory deal was not

struck within Germany. The international expansion in mobile phones would add to Mannesmann's existing mobile interests in Japan, Italy and Brazil. The aim is to exploit the expertise gained in building up D2, now Germany's largest mobile phone network, with

2.5m users. Mannesmann also plans to expand its telecoms activi- world motor racing chamties through a deal with Deutsche Bahn, the German railway operator. Mannesmann Arcor - of which 50.2 per cent is held by Deutsche Bahn and the remainder by a consortium led by Mannesmann - plans to build a fixed network to rival Deutsche Telekom's.

However, Mr Mihatsch warned that the speed at which Mannesmann was becoming a full service provider to all clients would depend on relations with Deutsche Telekom.

He expressed alarm that the German federal government had yet to announce details of the new regulatory authority, planned to come into operation from next January. "We may have some time early next year in which there is no effective regulation," he

Ving, the Munich-based industrial conglomerate which has ambitions in telecommunications, said it would follow Mannesmann to Brussels if a satisfactory deal between Deutsche Telekom and its new competitors over interconnection

Grolsch shares slide on gloomy outlook

By Gordon Cramb

Shares in Grolsch, the Dutch maker of premium beers, slid more than 20 per cent yesterday as it produced only a 1.8 per cent rise in net profits for last year to lands, where the industry F159.9m (US\$31.5m) and warned of a downturn in the

It blamed the poor outlook on intensified price competition in a shrinking beer market in north-west Europe. At F174, the shares ended F115 lower, while stocks in the much larger and more internationally diverse Heineken shed F1 20.80, or more than 6 per cent, to F1317.20. Heineken is due to report its annual results tomorrow, off I per cent last year. having shocked the market

By Eric Frey in Vienna

Austrian Airlines (AUA) is

to buy 36 per cent of rival

carrier Lauda Air and take

and another 10 per cent from

Mr Niki Lauda, the former

in 1979. Mr Lauda will keep

30 per cent and stay as chair-

man. The remaining 6 per

cent will come from another

No value was given for the

transaction, but based on

Lauda Air's stock price the

airline is worth just under

had pre-tax profit of Sch65m

on sales of Sch13.3bn in 1995,

while Lauda Air the figures

were Sch47.5m and Sch2.7bn,

respectively. Figures for 1996

stake to rival

at the halfway stage by mak-ing a similar gloomy

In spite of a successful push into Poland and strong exports, Groisch still derives more than half its volume sales within the Netherassociation said this week beer demand fell 2.1 per cent

Mr Paul Snoep, chairman, while declining to specify market share, said his company's sales suffered less than the average. But he added that in the UK, where it controls Ruddles and has a distribution joint venture with Bass, "there appears to be no stopping the downward trend" in consumption,

prised analysts, as previous

efforts to combine state-

controlled AUA with its

smaller competitor had

failed. Mr Lauda started

air carriers.

increase in sales and broke more on margins . . . we're on the right track," Mr Spoep added.

whole he described the second half as very disappointing after a favourable start to the year, as a poor summer took its toll. Even if northern Europe had a "normal" summer this year, Grolsch said it did not expect to match the 1996

from its 25 per cent stake in However, the Bass tie-up entirely offset by the effects

However, for Grolsch as a of a switch in US distribut tion to Seagram. The modest earnings increase was achieved only because of a Fl 9.2m pre-tax credit paid

Revenues rose 7.3 per cent to F1676.8m. A contribution Brewpole, operator of Poland's leading brewery, was consolidated for the first time. But this was almost

bonds, earnings per share improved from F1 3.52 to F13.71, and the dividend is held at Fl 1.48. No such

WorldCom, a newly formed international telecommunications operator, is investing \$200m to build a pan-Euroand France.

together all three Austrian Internet and multimedia.

hansa and its international Sch500m (US\$41.6m). AUA partners. ● Lufthansa said yesterday

be necessary by 2000 for The network is expected to connect London, Amster- fourth dam, Brussels, Frankfurt long-distance carrier, and DM29.5 in a broadly and Paris later this year. It MFS, another US telecomfollows the launch last year munications carrier, which

\$700m project. Mr Colin Williams, president of WorldCom Interna-

of a project - Gemini - to is building fibre optic loops lay a high capacity cable around Europe's principal York. In October last year, Cable and Wireless of the UK took a half share in the

Com to offer customers a ger share of European telesingle source for their com-

integrated set of services including voice, data and the The current network

for distribution rights by an

named overseas partner.

Helped by equity buy

backs to cover convertible

building projects will have cost \$1bn by the time they are finished. WorldCom believes owning infrastructure is essential to guarantee low prices and ensure network management

countries, was formed last year from WorldCom.the largest US between London and New financial centres. It thus transport with local access.

> international operator. The new network is

with charter flights but strategic control. Mr Rudolf Streicher, chairmoved on to compete against nean fibre optic network man of AUA's supervisory AUA on regular European including cables linking the and overseas routes. As AUA board, said yesterday the air-UK with the Netherlands line would buy half of the 40 also controls the regional per cent stake held by Luftcarrier Tyrolean Airways, It says substantial new hansa, the German atrline, the transaction brings WorldCom, which now

Lufthansa said it would Dion who founded Lauda Air keep a 20 per cent stake in | Lauda Air. The joint shareholding may pose problems, as AUA and Lufthansa have a history of failed merger talks. AUA also co-operates with Swissair, Sabena and Delta in a link-up which directly competes with Luft-

> preliminary pre-tax profits fell about 10 per cent to DM756m (\$443m) last year, mainly because of higher fuel costs, writes Sarah

Lauda Air sells | WorldCom in Europe push

By Alan Cane

Internet.

transmission capacity will

tional said: "A pan-European network will enable World-

operates in more than 50 combines long-distance Analysts have hailed it as heralding a new breed of

designed to position World-Com to challenge for a bigcoms business when it is steel wer the next few

The announcement sur-Althaus in Frankfurt. munications needs, with an fully liberalised next year. Minorco beats expectations with \$396m

By Kenneth Gooding, Mining Correspondent

Minorco, the Luxembourglisted natural resources group, yesterday reported a 9 per cent increase in earnings before exceptional items to a record \$396m, well

ahead of expectations. Mr Hank Slack, chief execSouth Africa, said prospects for 1997 were "positive" because of a bright outlook for metals prices, particu-

He said increased producthe general price weakness in industrial commodities.

the 1996 results. It warned that operations at the the Hudson Bay zinc-

copper complex in Canada tion of gold, copper and might end in 2004, despite a newsprint last year offset marked improvement under new management last year. Operating losses were cut Minorco is to cut the work- from \$22m to \$3m, but no utive of the group, which is force and infrastructure at new resources have been record \$1bn capi
60 per cent owned by Anglo its Morro Velho gold found in spite of an inten-American and De Beers of operations in Brazil and is sive exploration effort. \$674m last year.

making an exceptional Minorco is making an excep- Minorco was looking at charge of \$119m for this in tional charge of \$161m for details (the partial privatiwriting down these assets. The exceptional charges

were partly offset by profits of \$247m on disposals, but net earnings fell from \$365m. or \$1.63 a share, to \$336m, or \$1.50. The dividend is held at 63 cents. Mr Slack said this was because the group faced record \$1bn capital expenditure this year, up from

sation (CVRD, the Brazilian miting and industrial group, with a view to a joint bid wit Anglo American, Mr Slac said.

The Tara agribusiness in the US ras the biggest contributorto operating earnings, at \$312m, down from \$331m, filowed by industrial minerakat \$136m compared with \$95n

NOTICE IS HEREBY GIVEN OF THE

ANNUAL GENERAL MEETING

 To receive and consider and, if thought fit, adopt the accounts presented by the Directors for the year ended 31st December, 1996 and the reports of the Directors
and Amilitors.

2. To ratify the acts of Directors.

Fund Limsted, P.O. Box 1100,

3. To approve the appointment of Price Waterhouse as Ancitors and authorize Waterhouse as Anditors and anti-the Directors to fix the Antitops' By order of the Board LIQUIBAER Julks Boer U.S. Polisr

A shareholder bolding registered shares is entitled to attend, vote and appoint one or more provies to attend and wor material of him. A proxy need not be a A shareholder holding bearer shares is

Such evidence may be obtained by depositing the certalicate with the Agent listed below against written receipt, which must be produced at the Mocting. Copies of the Annual Report including Andited Accounts are available for inspection and may be obtained at the registered office of the Company and

There are no service contracts m exist cace between the Company and any or its Directors and more are proposed. Participating shares are listed on the London Stock Exchange and particulars of the Company are available in the Extel Statistical Service. 12th March, 1997

from the Agent listed below

SECRETARY AND REGISTRAR: Julius Baer Bank and Trust Comp. Ltd. Kirk House, P.O. Box 1100 Grand Cayman, Cayman Islands

these rights in respect of bearer shares will be recognized only on presentation at the Meeting of the bearer certificate Bank Julius Baer & Co. Ltd. Bevis Marks House, Bevis Marks London EC3A 7NE, U.K. LIQUIBAER

JULIUS BAER US DOLLAR FUND LIMITED GRAND CAYMAN

ETBA FINANCE FINANCIAL AND ECONOMIC SERVICES S.A. (formerly GREEK EXPORTS S.A.) INVITATION

FOR EXPRESSIONS OF INTEREST IN PURCHASING THE ASSETS OF "ASPA PLAST HELLAS" COMMERCIAL AND INDUSTRIAL PLASTIC PRODUCTS COMPANY S.A.

ETBA FINANCE Financial & Economic Services S.A. established in Athens at 1 Eratoschevous and Vas. Commission Streets) in its capacity as special headdone of the above company is accordance with Decision No. 450/1996 of the Athens Court of Appeal by which "ASPA PLAST HELLAS" Commercial and Industrial Plastic Products Company S.A. has been placed under special Equitation within the franciscost of satisfactor of the Street Court of the Street Court of the Street Court of S and following instructions from "ETBA S.A.", the creditor as per para. 1 of article 46a of Law 1892/1990

INVITES interested investors to expects their untress in purchasing the spects of "ASPA PLAST RELLAS" Commercial and Industrial Plastic Products Computer S.A., presently under liquidation, within twenty (20) days from today by submitting a written, non-binding expression of interest.

SUMMARY INFORMATION ON THE COMPANY UNDER LIQUIDATION The shove-mentioned company has a factory which produces PVC profiles and plantic frames. It is should in the Lambs motistrial zone on a plot 34,000 m² in area. The factory building occupies a surface area of 7.784 m² while the offices extend over 1,338 m². The building housing the factory and offices has been built with prefabricated sections of reinforced conceins, has been fitted with plantic frames and an industrial floor in the factory. The area surrounding the building is landscaped, with driveways, is walled round and contains a water talk. The assets suchate the entire mechanical equipment of the factory, machinery, vehicles and the company name. A detailed description of the shore, as well as a description of the machinery and other equipment, are contained in the Officting Memorandum which will be delivered in good time to misorand investors.

Other data on the auction for the highest bidder Prospective buyons, on againg a written undertaking of confidentiality, may obtain the Officing Mentorandom frost the offices of the liquidating company within the legal time limits. They stay also have access to any other information they may require, and wint the start of the company for mic. The Officing Memorandum contains a detailed description of the assets for sale of the company under Squidation and all other information that may be useful to the potential buyer.

L The amountement of the Public Auction for the Highest Bidder will be published within the foreacts time lutters and in the same terminance. For any further information please apply to: ETBA FINANCE S.A. 1 Eratoschemous St., 4th floor, Athens, Greece, sel: (301) 7260210 & 7260278, Pag. (301) 7260864.

Notice to the Holders of Warrage Yes 20,185,000,000 TOKYO ELECTRON LIMITED (Company

FFR 1.100.000.000 14 per cent. Bonds 1998 ant to Clause 4(A) of the fontrement dated 10th March, 1% (the "E above captioned warrants (the "Warrants"), notice in here-given or an enterest wateraits (the "Wattenin"), entire in here given as follows:

On 24th February, 1997 the Board of Directors of Tokyo Bects, Limited (the "Company") resolved to minks a stock spit of the Company in the form of a lie starse distribution of 20th May, 1997 (Span time) to be also shoulders of record us of Start Jurch, 1997 (Span time) to its also shoulders of record us of Start Jurch, 1997 (Span time) to a stock of 0.1 new starse for each one-share; so recorded. Consequely, the Subscription Price of the Warrants will be adjusted purioust to Chame 3(f) of the lines went.

Ten 3,42,00 Yen 3,12,90 Lec.April 1997, Japan since Softwarenton Price before adjustments TOKYCLECTRON LIMITED

The AGA 1996 full year report

SBC Warburg 2 Finsbury Avenue London EC2M 2PP and on the Internet www.aga.se AGA AB (publ), 181 81 Lidingö, Sweden

is now available ar:

The Financial Times plans to publish a Survey on

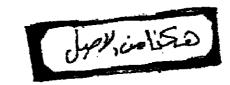
For further information please contact Lindsay Shappard in London

Tel: +44 (0)171 873 8225 or Fex: +44 (0)171 873 3204

Roberto Alves in Lisbon on

Tel: 8408284 or Fax: 8404579 or your usual Financial Times representative





COPPANIES AND FINANCE: EUROPE

Embarrassing times for SBC Warburg

The SFA investigation of the London-based pank puts programme trading under the spotlight

"What happened is what we definitely I mean we definitely Swiss Bank Corporation, any serious flow. After pushed some of the shit down. After the fact Alex told us we should have the fact Alex tol gotten them down 1 per cent, it's just stupid."

intos earning

第 《《通》

樂 美 🧇 🔭

100

The Year

Marie de la companya della companya de la companya de la companya della companya

Market . . .

Mark Mark

matter some

THE PARTY OF THE P

The second second

Market St. Co.

斯斯斯斯

OF THE PARTY OF TH

Total Windows State Stat

Contract of the Contract of th

Service 5

PA MADE CO.

Property in

Walter Comment Mariett

100 to 10 Parkers and the second

and the state of t

12 to 12 to

- No. -

hese are the comments of a London-based SBC Warburg trader on October 30, soon after a mistake made during the execution of a £300m programme trade for an investment trust had caused the price of a number of French stocks to fall sharply.

The comments were recorded on tape and have been passed to the Securities and Futures Authority. the City of London regulator, which is now investigating SBC Warburg. The mistake has also led to the departure of two people from SBC Warburg, including Mr Peter Corrigan, head of French equities. Several other executives have also been disciplined.

lefood stake for Same The SFA is also believed to be investigating whether SBC Warburg made a similar error when

trade is one of the largest ever to be awarded to SBC Warburg, and the SFA investigation and staff departures have clearly embarrassed it.

The SFA investigation is focusing on a 80-minute period on October 30. At some time around midday, SBC Warburg traders learnt that the bank had been awarded three contracts by Kleinwort European Privatisation Investment Trust, now in liquidation, to execute a series of share sales so-called programme trades - on

Contracts for programme trade are often awarded just before the deal takes place, and the Kepit deal was no different. It involved SBC Warburg taking the £300m-worth of shares on to its books just minutes later - at 12.30pm - and paying Kepit the mid-market prices for each share at that time.

selling, theks to detailed analysis colleague had done earlier on what share Kepit owned.

SBC Waburg would have realised that his selling process known angoing short - would into free fall at 12.30pm. Instead of cause she prices to fall and selling as much as he could before thereby duce the amount of 12.30pm - the so-called strike time thereby profit Ker would receive. Howeve short selling ahead of

programn trades is accepted as instructions, communicated at normal pritice in the City of Lon-don, so les as prices do not fall too much share prices had fallen by more tin, say, I per cent Kepit would prably have complained that the prices it received at 12.30pm are lower than they should habeen.
Elsewhe at SBC Warburg, a

running an arbitrage Kepit. This meant he trader w g to make money by ifferences between Kepexploiting it's own sure price and the prices

Kepit executives watching the selling Spanish shares as part of the shares they were about to take cost SBC Warburg no more than spin and will not cause the invest
The mistake is thought to have cost SBC Warburg no more than spin and will not cause the invest
The mistake is thought to have cost SBC Warburg no more than spin and will not cause the invest
The mistake is thought to have cost SBC Warburg no more than minutes before the 12.30pm dead
SFA in stigators have been told the shares it owns.

SFA in stigators have been told that in the minutes before the minutes before the 12.30pm dead
SBC Warburg traders sought to take on from Kepit, in the remaining the shares it owns.

SFA in stigators have been told the share price collapses on their shares they were about to take on from Kepit, in the remaining that in the minutes before the minu share price collapses on their

computer system freezing.

sell at the strike time.

None of this would normally programme trade had gone wrong. have come to the SFA's attention. In the tanes passed to the SFA, the but for a mistake by one of SBC London-based trader is heard Warburg's Paris-based traders talking with a colleague about how which caused some stocks to go the price of the French shares had fallen much further than they had planned. The trader complains that Alex, a colleague, had just told him - SFA investigators have been told - in hindsight after the share that the trader misunderstood his prices had collapsed - that they should only have pushed the prices speed, and instead attempted to

down by 1 per cent. In a statement yesterday SBC The trader also failed to put a Warburg admitted that its short so-called down limit on his proselling had contributed to adverse posed share sales, effectively making it into an unlimited sell order. price movements. It said: "On Wednesday October 30 SBC War-burg bid for three portfolios of The French trade shares using a computerised system known as Kepit. In connection with its bid order-driven, and investigators the bank sought to sell into the market. This contributed to

have been told that the trader's mistake led to all his sales being adverse price movements in some executed automatically and the of the shares in the portfolio concerned." It added that "we are continuing to assist with the on-going SFA investigation".

> William Lewis and Samer Iskandar

Novo Nordisk

EUROPEAN NEWS DIGEST

focus pays off

Novo Nordisk, the Danish diabetes care and industrial enzymes group, lifted pre-tax profits 17 per cent to DKr2.52bn (US\$387.7m) last year, from DKr2.15bn in 1995. Net profits climbed 15 per cent from DKr1.56bn to DKr1.799bn, taking carnings per share from DKr20.83 to

The board proposed a 50 per cent increase in the dividend from DKr2.50 a share to DKr3.75. Mr Mads Ovlisen, chief executive, sald the company was seeing the positive results of a strategy adopted in 1994 for focusing on core products in diabetes care, women's health, growth hormones and industrial enzymes. Sales grew 8 per cent from DKr13.72bn from DKr14.87bn. However, after allowing for disposals, the increase in sales by continuing businesses was 12 per Hilary Barnes, Copenhager

Boost to German TV float

Pro Sieben, the German television and media group which is preparing for a DM1bn (US\$588m) flotation of preference shares in July, said yesterday that turnover in 1996 rose 14 per cent to DM1.67bn, Pre-tax profits rose more than 50 per cent to DM170m. Mr Lothar Lanz, board member responsible for finances, attributed the dramatic leap in profits partly to the costs in 1995 of the takeover o the loss-making Kabel 1, the smaller of the company's two

Regarding the flotation, the company said it hoped for a "healthy mix" of domestic and international, institutional and private investors. As the first Germany television company to go public, Pro Sieben hopes to benefit from the current interest in the potential of the German media Frederick Studemann, Munich

Dominguez sets Bolsa record

The market sale of 70 per cent of fashion retailer Adolfo Domínguez, to be completed today, has set a record for a Madrid Bolsa listing, with the offering reported to be 50 times oversubscribed.

The issue is likely to be priced tomorrow at Pta3,100, the top of its range, giving the company a market value of Pta26.5bn (US\$183m). Analysts said investor interest in the 72-store upmarket

design company had exceeded the demand generated by last year's listings of the hotel chain Sol-Melia and the fast-food group TelePizza. The rush for the 5.9m Adolfo Dominguez shares on offer adds further volume to the Bolsa and looks certain to prompt more IPOs by small and medium-sized domestic companies.

Demand has been particularly high among domestic investors, who are being offered 60 per cent of the total offering. The retail tranche, which represents 65 per cent of the domestic offering, is estimated to be 75 times subscribed, while demand for the domestic institutional tranche is understood to be considerably higher.

Chargeurs Int'l back in black

Chargeurs International, the French textile company created last year by the demerger of conglomerate Chargeurs, said yesterday it had returned to the black

Merger upheaval is vercome

SBC Warburg, the European burg's customer franchise. investment bank formed by "The clients that we lo Swiss Bank Corporation's had not been doing many target range. Barbara woos Mila its problems immediately following the merger. Yet, as its unusually frank results. SBC Warburg chairman. vesterday demonstrated, it appears to have overcome its fered on the revenue side, period of turbulence.

The results - virtually unique among investment banks in breaking down revenues among its business lines - show that SBC Warequities and fixed income arms. Its corporate finance advisory arm, a leading force of the former S.G. Warburg, is less significant.

is less significant.
The upheaval after the merger - which led to the departure of at least 55 of 135 burg's merchant bank - has

bouler ard de Montmorene

75016 Paris - FRANCE

deals for a long time, and the clients that we were in danger of losing have come

its behalf.

"We have not really sufand on the cost side, we have benefited from the

burg's main engines are its attracting advisory fees and equities and fixed income acting as the marketing arm may be further job losses costs, caused by the spread of Wall Street 1 els of bonuses to Euro, and

former directors of War- return on equity of 16.4 per to build businesses. - not damaged overall earn- 11.3 per cent in 1995. Mr de ings significantly. Indeed. Gier says that this would SBC's expertise in equities have been 22 per cent but for ocre people. The K opeans and fixed income trading has allocation of costs from SBC may get the wors of both combined well with War- centrally. Although 1996 was worlds," he says.

back," says Mr Hans de Gier, ment banking. However, Mr d Gier argues that Warbig has potential for revenuerowth

Nonetheless, Mr de Gier admits that corporate pensions changes. finance plays a dual role, of the overall investment bank. He says that it is still being reshaped, and there

SBC Warburg achieved cent for the year, up from

a strong year for all invest-"The clients that we lost ment banks, this is a the Both Mr de Gier id Mr Marcel Ospel, SBC chief

executive, yesterda mentioned their concers over tightening margins in nvest-

in Europe on the ick of industrial restructures and His strongest conens are estion over costs, and the of what Warburg w do in the US. He says the he is "terribly, terribly pried" by the inflation wage

"I am worried r about bonuses for the to people but the salaries pareo medi-

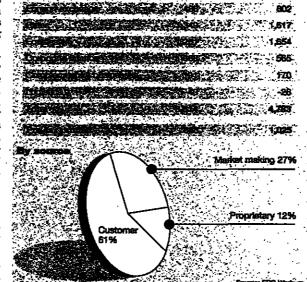
He emphasises that SBC Warburg is trying to align its staff's interests with its shareholders by linking bonuses to SBC equity.

The second issue of concern is the US. Mr de Gier says that its corporate finance earnings are limited by the fact that an estimated 75 per cent of advisory and equity raising fees come from the US. However, SBC is cautious about reinforcing its strength there by buying a US investment bank. "It is not in shareholders'

interests to buy a US business at an unrealistic multiple at the moment. Whether prices will comes down, I don't know," he says. However, he says that European banks buring staff Warburg cannot operate in the medium to long term

> the US domestic market. Mr de Gier says that one possibility is for it to wait for the turmoil likely to be created by US commercial

without having a presence in



SBC Warburg: the first details

banks buying investment ness with teams and boubanks. "Things will go tiques from elsewhere," he wrong, and teams will come says. loose. That could give us an opportunity to build busi-

John Gapper

It reported net profits of FFr136m (US\$23.8m), compared with a FFr65m loss for 1995, despite a fall in turnover to

supe Promodès

Aerospatiale results

Net Profit. The net Group share prit is FF 812 million compared with a net attributable loss of FF 98 million a year earlier. The latter period was seriously affected by a FF 395 billion provision set up for the 1996-1998 restructuring plantn 1996 this plan, as predicted, generated savings of only FF 200 mion, but it should lead to savings of FF 1.2 billion in 1997 nd a further FF 2.8 billion

AEROSIATIALE

CREDIT LYONNAIS

Would Like to Thank the Participants in Our Inaugural

NORTH AMERICAN LODGING INDUSTRY CONFERENCE

Paris, France • March 6 and 7, 1997

Presenters

Accor

Bass

Bristol Hotel Company Choice Hotels International

Four Seasons Hotels

Hilton Hotels

Host Marriott

Interstate Hotels

La Quinta Inns

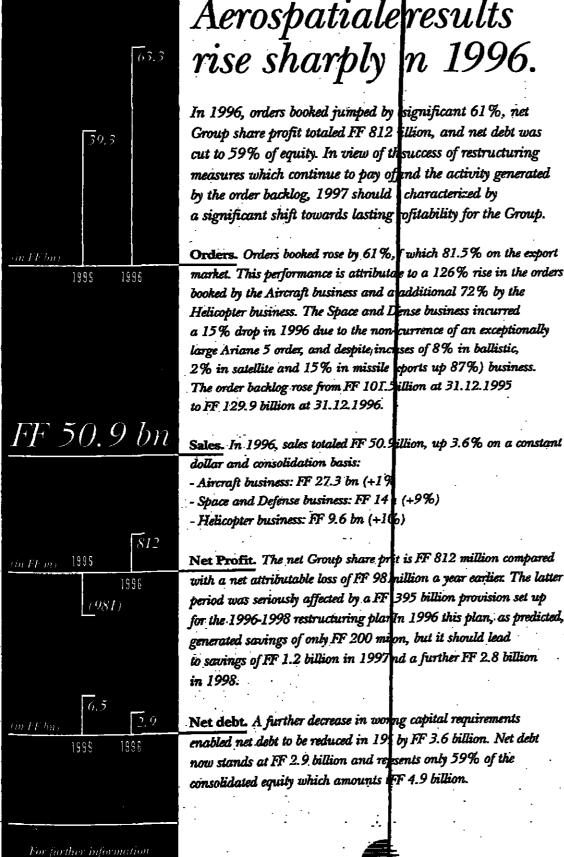
Marriott International

Prime Hospitality

Promus Hotel Corp.

Red Roof Inns





AMERICAS NEWS DIGEST

COMPANIES AND FINANCE: THE AMERICAS

Groups in moves on PC 'broadcasting'

Intel, the leading supplier of PC chips, yesterday joined Société Européenne des Satellites, the Luxembourg operator of the Astra already taken up the offer and plan European satellite TV system, in a to begin Web broadcasting. venture aimed at delivering multimedia content to PCs in Europe.

Separately, PointCast, the pioneer of Internet broadcasting, and leader, announced jointly developed technology for Web broadcast-

ing, or "Webcasting". PointCast also announced it more than 1m viewers of its ser-

More than 20 publishers have

Both developments reflect a shift

PointCast, which already has

lisher with a site on the World aims to expand its reach through soft to develop a standard format which will enable anyone to deliver their content via PointCast

Unlike the established service, in which publishers share advertising toward "push" technology that revenues with PointCast in return automatically delivers information for services such as tracking users' services to a PC user's screen, interest in advertising, publishers Microsoft, the software industry rather than requiring the user to can use the Connections program search for information on the Inter- free of charge but will not earn revenues from PointCast advertise-

Mr Chris Hassett, PointCast pres-

would offer royalty-free licenses for vice, which includes sources such ident and chief executive, said the to specially produced multimedia its broadcast software to any pub- as CNN and the Los Angeles Times, company had worked with Micro- programming. the new "Connections" program. for Internet broadcasting. This technology will be incorporated in the next version of Microsoft's Internet Explorer program, due out

> The SES-Intel venture, called European Satellite Multimedia Services, takes "push" technology a step further. The new company, in which intel holds a minority stake, plans to broadcast information services ranging from a "Best of the selection of Internet content

Initially, the EMS service will be aimed at businesses, enabling them to distribute corporate information to remote offices. A consumer-oriented service is planned later.

• IBM has formed a partnership with BellSouth, the US regional telephone company, to deliver internet services. IBM. which operates a worldwide data communication network, will provide network connections and services to Bell-South to expand the carrier's Florida Internet services.

GM moves closer to Delphi offering

General Motors yesterday moved a step closer to a public offering of shares in its giant parts-making bustr Delphi Automotive Systems, with the disclosure that the unit had achieved stronger profit margins than the US group's core vehicle assembly business in recent years. While helping set the stage for the planned sale of a 20 per cent sale of Delphi, the news also underlined the scale of the problems still faced by GM's North American assembly operations. The results of the two have not been disclosed separately before.

Delphi's after-tax profits in 1995 reached \$916m, or 3.5 per cent of sales, before falling back to \$528m, or 2 per cent of sales, last year owing to a series of strikes, GM said. Its North American assembly business, on the other hand, earned \$1.47bm, or 1.5 per cent of sales, in 1995 and \$730m, or 0.8 per cent of sales, last year.

GM said it had revealed the figures because it had moved internally towards judging the two business separately in recent months. However, the news will also make it easier for potential investors in Delphi to assess its value as a stand-alone company. The figures suggest that, if Delphi can regain the sort of profitability recorded in 1995, it could be worth more than \$8bn. Shares of other leading US parts makers generally trade at 9-10 times Richard Waters, New York

Toys R Us ahead weakly

Toys R Us, the world's biggest toy retailer, saw underlying profits growth of only 7 per cent in the fourth quarter because of a poor Christmas for toy and game sales in the US, the company said yesterday. However, it said the outlook for the current year was "excellent" because of an abundance of new products, including software for the Nintendo 64 video game machines and toys based on the revival of the Star Wars movie trilogy.

Yesterday the company said world-wide sales in the quarter to February I rose I per cent to \$4.7bn. Including special charges this year and last, net profits rose from \$33m to \$383m. Without the charges, they rose from \$362m to \$396m, or \$1.38 a share. For the full year, sales rose 5 per cent to \$9.9bn and net profits, excluding special charges, rose 12 per cent to \$465m, or \$1.68 a share. Richard Tomicins, New York

Acquisitions hurt Thomson

Improved operating earnings at Thomson Corporation's publishing, newspaper and travel businesses last year were offset by the impact of acquisitions and disposals, resulting in a substantial drop in net earnings. But the Canadian-controlled group said the flurry of deals that marked the past decade, including about 350 acquisitions and 200 disposals, was near an end.

Net earnings fell to US\$581m, or 95 cents a share, from \$799m, or \$1.34, in 1995. Sales climbed to \$7.72bn from \$7.23bn. Excluding gains on disposals, earnings dipped to \$413m from \$439m. However, operating income from existing businesses rose from \$739m to \$943m.

UK-based Thomson Travel's operating income rose slightly to \$109m, including a modest reduction in traditional fourth-quarter losses. Last year's earnings were also dented by recent acquisitions, notably West Publishing, the large US legal information supplier, hought last June. Thomson shares, which have risen sharply over the past year, eased 30 cents to C\$29.90 in Toronto early vesterday. Bernard Simon, Toronto

Telus sells UK cable stake

Telus, Canada's third biggest telecommunications company, is selling its 50 per cent stake in Telecentia Communications, a British cable TV/telephone group, to Vision Networks of the Netherlands for C\$390m (US\$285m), plus reimbursement of any further advances. Alberta-based Telus expects to post an after-tax gain of C\$128m. Vision Networks will now own 100 per cent of Robert Gibbens, Montreal

USAirways adds to BA suit

USAirways yesterday alleged that British Airways representatives on its board of directors had breached district court in New York on the grounds that BA had violated a 1993 alliance with USAirways by pursuing a tie-up with American Airlines.

Pay for Wall Street executives at record

By Tracy Corrigan in New York

Executive compensation for top Wall Street executives in 1996 reached new highs, according to company proxies filed in recent days.

While base salaries remained a small proportion of total remuneration, bonuses and other performance-related pay soared, with total pay for some top executives rising more than 40 per cent to \$10ml

Many Wall Street firms reported record profits in 1996, as strong market conditions boosted earnings from underwriting, trading, and mergers and acquisitions.

What makes Wall Street remarkable is that there is an absolute correlation between profit and return on equity and compensation,"

search firm. "You do not see what has been seen in the corporate sector, where chief executives have received exceptionally high pay despite lacklustre stock per-

Top of the Wall Street pay league to date is Mr Joe Roby, president of Donaldson, Lufkin & Jenrette, who received total compensation of \$33m. However, Mr Roby's basic salary was also the lowest of the leaders, unchanged at \$175,000. His bonus was \$8.5m, and the remainder was largely the result of pay-outs under a long-term incentive plan dat-

ing from 1991. The firm has performed

said Ms Joan Zimmerman, of our compensation stratexecutive vice president at egy is to have long-term GZ Stephens, an executive compensation plans," DLJ

> At other Wall Street firms. where pay is more closely linked to a single year's performance, there is a marked cluster of compensation packages around the \$10m

mark. However, at some firms individual traders or M&A specialists have earned more than their bosses, according to Ms Zimmerman.

Few US companies pay top executives more than \$1m in basic salary, after an Internal Revenue Service ruling in 1994 that remuneration above that level cannot be deducted unless it is performance-linked, according to Ms Carol Bowie, editor of splendidly over that time- Executive Compensation frame and an important part Reports, a newsletter.



However, Ms Bowie argues, some companies set performance criteria too low. with target return on equity as low as 2 per cent at some Wall Street firms.

The structure of compen sation also assumes that executives should be rewarded for performance which may be largely owing to market conditions. Remuneration is also often

based on comparisons with compensation at a peer group. Bankers Trust, for Morgan Stanley, PaineWebexample, said in its proxy that chief executive officer Mr Frank Newman's compensation was a reward for successful efforts to improve financial performance and build client relationships, after a derivatives scandal which rocked the bank. But it was also based on

comparisons with a peer group made up of Bear Stearns, Chase, Citicorp, Merrill Lynch, J.P. Morgan,

"[Peer group pay comparisons] are supposed to compensate for things outside the company's control and permit rewards despite disadvantages which exist, so theoretically there is a good

ber and Salomon Brothers.

sword," Ms Bowie said.

"It's a double-edged

reason for it. "But year-to-year these

things are somewhat easy to

25 years of controlled development (1971-1996)

Dividend maintained

| Main consolidated figures (in millions of French Francs) | 1996 | 1995 | 1994 |
|---|------|-------|-------|
| Turnover | 2489 | 2.780 | 2,345 |
| • of which rentals | 230 | 243 | 254 |
| Net banking income | 395 | 392 | 393 |
| Gross cash flow | 335 | 319 | 310 |
| Consolidated gross profit | *238 | . 250 | 246 |
| Consolidated net profit | 256 | 288 | 305 |

FF 14.9 BN

Net managed

FF 12.6 in leasing

FF 2.3 in assets

Upturn expected

13

Production rised to FF 1.7 bn compared with FF 0.8 bn in 1995 due to the implementation of the new lessing system by the specialists at Sophia. Investments in financial and real estate assets ncluded in this amount remained highly selective (FF 80 million).

For Sophia, like the rest of the sector, 1996 continued to bear the consulative effects of the economic crisis and the property crisis - loss of rental income and charges not recovered on vacant properties, miscellaneous provisions (FF 53 million net compared with FF 327 million in 1995).

Consolidated gross profit amounted to FF 238 million (-4.8%) whereas gross cash flow was almost unchanged due to the growth in depreciation on assets (FP 77 million compared with FF 69 million

Consolidated gross profit for the first time included the change in the deferred reserves (+ FP 10 million). The cost (PF 9.6 million) of issuing the 10-year FF 1 billion bond loan in December was expensed in full

Consolidated net profit amounted to FF 256 million with net capital sains realised in particular from the asset arbitrage policy this year totalling FF 27 million compared with 41 million in 1995.

Global dividend A dividend of FF 17.75 per share including a tax credit of FF 0.50 will of FF 12.75 per share be proposed at the meeting of shareholders on 15 Mai 1997. The

dividend is unchanged on 1995. The first effects of 1996 production and the beginning of an upmin in rental revenues, down over the past three years, offer a more

favourable outlook. Barring any serbacks or unforeseen events, 1997 gross profit should return to 1995 levels.

This announcement appears as a matter of record only

JEL **CREDISUEZ**

a wholly owned subsidiary of

has sold to

WHITEHALL STREET REAL ESTATE LIMITED PARTNERSHIP VII

its entire property loan portfolio to real estate professionals

and all its own property development projects with an overall

net value of approximately FF4 billion.

CREDISUEZ has been advised in this transaction by

LAZARD FRÈRES ET CIE

63, avenue des Champs Etystes-75006 Paris-Sal.; (33) 1 44 35 47 18

AOL plans to branch out from the Internet

By Andrew Jack in Paris

America Online, the US-based information provider, plans to branch out from the internet and distribute its services through television or other media. In an interview in Paris, Mr Steve Case, chairman.

said the group was likely to make announcements later this year on pilot programmes using other media. He stressed that AOL should be seen not as a computer-based Internet service, but rather as "an interactive medium" which could be transmitted by "television, personal computer.

pocket digital assistant, tele-

phone, cable or satellite". Mr Case argued that using the home computer seemed logical because a high proportion of US households regions - such as Europe, where the penetration of other countries, notably had 200,000 clients.

computers was lower - other Australia, and said this media could equally be used to distribute its services. His comments come as

AOL prepares to launch a service in Japan next month, in partnership with Mitsui from advertising and the and Nikkei, following its sale of products on line, but development of services outside the US in the past few years, in Canada, Germany, about 50 per cent within the the UK, France and Sweden. next five years. Mr Case said that after a

series of deficits - in part caused by a change in accounting policies - AOL should be reporting profits from the June quarter this He said that its European

operations which run as a ioint venture with Bertelsmann of Germany announced in 1995, should be profitable during 1999, ahead of initial projection.

Mr Case indicated that owned one, but that in other AOL was considering distribution of its services in

could be done through partnerships or fully-owned subsidiaries of the US parent. About 10 per cent of AOL revenues currently come

Mr Case said he expected that proportion to grow to In spite of the growth in competition from rival services, he expressed confi-

dence that AOL would continue to play a leading role, illustrated by the increase in both the number of subscribers and the hours they spent on-line over the past few

AOL has 8m clients. including 100,000 in Canada and 500,000 in Europe. He said that average connection time was now 16 hours a month, compared with three hours five years ago, when it

-

4.45

- -

their responsibility as joint venture partners of the US carrier. USAirways said the charge had been added to its lawsuit against BA, which was filed in July in federal

Amelio expected to take axe to Apple break-even point to \$8bn in annual lasting effect, analysts say they create an alternative "standard" for revenues. Revenues in 1996 were must include a big reduction in personal computing by licensing

Tomorrow will be "Black Friday" at Apple Computer, the day the struggling personal computer company nlans to announce big cuts and job losses expected to top 2,000.

The cuts come as confidence in Apple's future dwindles. Executives in the US computer and software industries talk of Apple as a "lost cause". In internet discussion groups, Macintosh fans debate where to put blame for the group's demise.

Still, Apple has not given up. In January, Mr Gil Amelio, chairman and chief executive, said the company would cut costs to lower its

\$9.8bn.

Even that might not be enough, he acknowledged at the Apple shareholders' meeting last month. Apple would make "tough choices". It would create a "hot list" of things the company had to do and a "hit list" of activities it could no longer afford. Projects and products would be "dropped or divested" he said. Rumours are rife about which

parts of Apple may be cut. The Newton hand-held "personal digital assis-

Apple's R&D budget, one of the highest in the PC industry.

rest of the PC industry relies upon intel, the primary chip supplier, and Microsoft, the software leader, to shoulder the costs. In the December quarter, for example, Apple recorded revenues of \$2.1bn and spent \$149m on R&D. Compaq, the PC market

personal computing by licensing hardware and software. Yet as the market for "Macintosh clones" takes With its proprietary Macintosh off, Apple is "reviewing" licensing technologies, Apple is forced to agreements - apparently with a spend heavily on development of view to raising fees. Already, one of hardware and software, while the the largest "Mac clone" builders has said it plans also to make "standard"

Whether Mr Amelio will bite the bullet and slash costs will remain a ... matter of intense speculation for the next 24 hours. If he takes anything less than drastic action, however, Apple supporters will be bitterly

tant" - which has disappointed since its launch in 1993 - heads the list. leader, had revenues of \$5.4bn and R&D costs of \$105m. many investors, customers and Yet if the cuts are to have any Analysts have long urged Apple to

arsh & McLennan's broking services has purchase of John-declined and the industry is son & Higgins catapults it back into number world's biggest insurance brokers and creates a yawning gulf in size between the US heavyweights and their nearest competitors, the UKbased brokers,

Just three months ago, there were six in the top league of global brokers. There will shortly be four.

Strangled profit margins and sluggish revenue growth have precipitated a wave of date. consolidation which has reverberated through all levels of the industry and threatens to swamp those too slow to react, Insurance broking long

ago ceased to be simply a matter of matching clients with underwriters. The customer has become much more sophisticated. Multinationals are assuming considerably more risk themselves than in the past, and are demanding from the broker a broader global reach. The demand for graditional

relying less on the commission earned from single one position among the transactions and more on fee-based consultancy work. Excess capacity, following several years of exceptional profits in world insurance

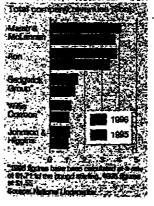
> a lower incidence of catastrophes to push insurance rates sharply lower. That has increased the pressure on brokers with less well-developed consult-

> ing businesses to consoli-

markets, has combined with

The industry was still reeling from Aon's \$1.23bn acquisition of US rival Alexander & Alexander, announced last December, when Marsh & McLennan, knocked into second place by that deal, unveiled its \$1.8bn takeover of John-SOD & Higgins

Under Mr Patrick Ryan, its chief executive, Aon had roon, both UK-based brokers already demonstrated rapid with sizeable operations in expansion in insurance broking. It spent some of the \$1.36bn it had raised from tive of Sedgwick, has been of the two and with the big-selling two US life assurance open about impending conger exposure to traditional



subsidiaries on buying Bain Hogg, the UK broker, last October. For Mr Ryan, critical mass is paramount, and Aon is expected to cut costs worldwide by some 7 per This deal on its own posed

Sedgwick and Willis Corwith sizeable operations in the US.

Mr Sax Riley, chief execu-

Marsh & McLennan regains top spot solidation and willingness to be involved. Marsh & McLennan, which a strong partner. already has a well-developed consulting arm and additional earnings from Putnam, an investment management business, can adopt a more relaxed approach. Overall revenue increased 10 per cent to \$4.1bn, and net income rose 16 per cent to \$98m in 1996.:

The advantage for the group in buying Johnson & Higgins is the scope for cost savings of \$150m and for expansion in certain overseas markeis.

In addition, son & Higgins has led the market for setting up insurance captives.

There is little information

on Johnson & Higgins. As a partnership, it does not have to publish an annual report considerable threat to and accounts. It has competed with Marsh for more than 100 years in the US. and is best known for having arranged the insurance for the Titanic. As the smaller

his broking, it may have been under more pressure to find

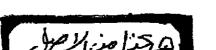
> avid Olsen, chief executive, says: "Looking at the consolidation that has occurred. we were capitally constrained to some degree. We recognise that size is importent and we went to expand our own global reach."

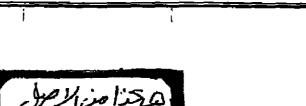
For Sedgwick and Willis, the market just got tougher. Still recovering from the messy merger of the two brokers that created it several years ago, Willis has rejected the arguments for marging. But another review of strategy is expected to follow yesterday's deal, as it did Aon's

move in December. According to Mr Roman. Cizdyn, analyst at Merrill Lynch in the UK, this leaves a big question mark about what Willis and Sedgwick are going to do. It has at least increased the chance of the two talking."

Christopher Adams

اعتامن الإصل





. ----

1.4

M. Maria

state veto to

THE STATE OF THE S

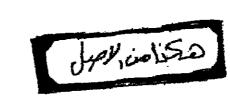
Portugal Lelecomrise

Private Privat

Exchange merger p

Hanso

Portion 8



In every era, the few who make a difference are those who dare to imagine a world beyond the horizon. A world in which old truths are enriched with new ones. The greater the resources, the greater the possibilities.



CREDIT FIRST SUISSE BOSTON

www.credit-suisse.com/fb

Issued by Credit Suisse First Boston (Europe) Limited: regulated by SFA.

in London and Lisa Bransten in New York

The European peripheral so-called "core" yesterday with yield spreads of Italian, Spanish and UK government bonds over German bunds widening.

In the US, Treasury prices Federal Reserve's Beige Book on the state of the

UK gilts were dragged

above the day's low.

Howard Davies, deputy governor of the Bank of investors. England, interpreted by tradmarkets underperformed the ers as expressing concern overshadowed the day's that the currency was over-

Although Mr Davies later explained that his comments reflected the view of financial markets rather than his were barely changed as mar- own, sterling remained weak ket participants awaited the and gilts failed to recoup In the cash market, the

vield spread of gilts over German bunds widened by down by a weakening of 6 basis points to 178 points, sterling on the foreign as the 10-year benchmark in line with previous estiexchange market. The June gilt fell # to close at 101 fs.

long gilt future settled at "There was no reason for 1111, down in and only in the market to react nega-"There was no reason for tively," said Mr Andrew Sterling's fall was sparked Roberts, gilts analyst at UBS by comments from Mr in London. "At these levels gilts offer good value for

> The weakness of sterling other events in the UK, such as the release of bullish data showing industrial production in January was slightly lower than analysts' expecta-

Mr Roberts also said the announcement by the Treasury of its funding programme "contained no surprises". Gross sales of gilts will total £36.5bn in the 1996-97 fiscal year, roughly Italian bonds showed the London, the June futures contract on 10-year BTPs settied one full percentage point lower at 125,78, before plunging another 0.20 in after-hours trading.

In the cash market the 10year yield spread of BTPs over equivalent bunds widened by 15 basis points to 194 points.

Analysts attributed the weakness to the continuing uncertainty surrounding Italy's chances of joining European economic and monetary union as a founding member in January 1999. This is seen as being largely dependent on a mini budget due to be finalised in coming weeks.

"There is nothing new in day's worst performance. In terms of market-moving news," said one BTP trader. "It just seems that investors prefer to stay on the sidelines until the situation becomes clearer."

Spanish bonds fell in the wake of the bearish Italian market. In Barcelona, the March future on 10-year bonos closed at 112.39, down state of the economy -

In the cash market the 10year yield spread over bunds rose by 4 basis points to 131

Traders said they were awaiting today's release of consumer price data for Febexpected from January's & to 110%. level of 2.9 per cent_analysts

day flat. The London-listed June bund future closed 0.01 lower at 101.78, but weak- and Mr David Munro of High ened further in after-hours Frequency Economics said trading to a low of 101.58.

US Treasury prices were also flat in early trading as the markets waited for the afternoon release of the Federal Reserve's report on the known as the Beige Book. Near midday, the bench-

mark 30-year Treasury bond was & lower at 97%, to yield 6.852 per cent, while the twoyear note was down by 1 to 99å, yielding 6.096 per cent. The March 30-year bond price increases. rusry. A modest fall is future contract weakened by

> Investors remain nervous about whether the Fed will

March 25 meeting of its that the Beige Book would be the "week's best form of

While a growing number of economists are expecting an increase in interest rates, Mr Munro does not think the Federal Reserve would tighten unless the Beige Book shows that manufacturers are losing their ability to control labour costs and that consumers are becoming more willing to accept

market guidance".

"It is a close call," he said. "but for now, supply and demand seem to be pretty well balanced."

Priced to yield 46 basis

points (for the \$1.19bn issue),

57 basis points (for the

seven-year offering) and 85

basis points (for the subordi-

nated tranche) over 91-day

T-bills respectively, the

bonds were trading flat to

their offer prices on the mar-

Cedel in warning on euro

Existing debt securities in European currencies should single currency - the euro -Cedel Bank, the Luxembourg based international However, it insisted that

prospectuses for future ssues should contain a clause stipulating whether and how the issuer intends to deal with redenomination. The clearing bank also tions among financial intermediaries involving nonredenominated debt be set tled in euros after the launch of the currency. Cedel, which handled the settlement of more than \$13.000bn of securities on behalf of clients in 1896 warned of the costs asset ated with redenomination and said the process could have an impact on the secorities' liquidity.

Although redenomination is an issuer's decision, Cedel said it should not be undertaken unless "the legal basis is undisputed both from an issuer's and an investor's

Some borrowers, including sovereign and statebacked cutities. have said they will convert their Ecu debt into euros at a rate of one-for-one. However, Cedel believes legal uncertainty may exist over debt issued prior to the signing of the Maastricht treaty.

Cedel's announcement was backed by the Forum, a working group describing itself as "a platform for international non-governmental organisations acting in the interests of the global marketplace.

ing that

Nursing Home Properties offers lease-backed deal

INTERNATIONAL BONDS

By Samer Iskandar nd Edward Luce

With the short end of the sterling yield curve suffering from recent oversupply, borrowers turned to longer further care home propermaturities yesterday. Issuance was yesterday dominated by asset-backed deals issues." NatWest Markets offering relatively generous yield spreads over gilts.

Nursing Homes Properties launched £100m of bonds 39 nursing and residential homes in the UK. The homes, which are to be acquired with roughly threequarters of the proceeds, are income assumptions. leased to 11 care home operators.

NHP will manage the leases, collect the rents and transfer them to bond holdannual coupons. The remain-

WORLD BOND PRICES

ing quarter will fund future

"Securitisation has been an important strategic milestone," said Mr Richard Ellert, chief executive of NHP. "The funds raised will facilitate the acquisition of ties. We expect this to be the first of a series of such arranged the deal.

Two tranches of paper were issued, and have been rated AAA and BBB by Duff&Phelps, the US credit rating agency. These ratings are based on, among other things, the reliance placed on occupancy rates and fee

Duff & Phelps said that, based on the UK demographic situation, it expects "the demand for nursing and residential home care to coners in the form of semi- tinue to rise into the next

financing vehicle set up to acquire and manage the lease on the Bristol headquarters occupied by Sun Life Assurance. The assets backing the issue are the

flow of future rents and the

Daiwa said the deal was oversubscribed, which led to a slight tightening in the yield spread over gilts from its original 74 basis points. The bonds are gradually redeemed after the 15th year

with the rental income. UBS explained that because of pre-arranged increases, the cash flows from the rent will be sufficient to service both interest and principal repayment after this period. Morgan Stanley chalked up a minor debut yesterday

Daiwa and UBS jointly aged with Dean Witter. The managed a £77.6m issue for £200m deal, priced to yield 18 North Avon Investments, a basis points over Libor, traded at offer price in the secondary markets. The bonds were distrib-

uted mostly to European and UK investors with a small part going to Asia. With part of Morgan Stanley's medium-term note programme, the debt was targeted at mostly institutional investors.

"There were a few high net worth individuals but and other institutions," said one trader in London. Traders said Morgan Stanley was hoping the issue would help lead to an upgrade of its debt rating, which is currently at Al/A plus.

Retail investors had stronger showing on DSL when it issued the first sterling bond to be co-lead man-

New international bond issues B STEPLING 99.87R Apr 2002 0.25R 98.42R Apr 2021 0.625R 98.941R Apr 2021 0.625R 100.00 Oct 2028 0.75R M Stanley/Dean Witter NatWest Capital Market E ITALIAN LIKE 97,805 Mar 2007 100,00R Mar 1999 Crédit Local de France(d) Merrill Lynch & Co(e): ESCUDOS

*Unitsted. ‡ Rosting-rate note. #Semi-arraya coupon. R: Fixed re-offer price; fees shown at re-offer level. #) SLM Studen Logn Trust. 10% clean-up call. #1) Average lite: 2.5 yrs. #2) Priced letter: 91-day T-bills +45bp area. #3) Av life: 7 yrs. #4
91-day T-bills +57bp area. #5) Subordinated certs: \$71.8m, 91-day T-bills +85bp area. #3 yrs. b) Callable from Apr 99 #

Lead managed by WestLB, the bonds widened slightly keting Association (Sallie the US in Europe and Asia. from five basis points over Treuhand seven-year bonds to almost six basis points in the afternoon. But traders \$787m seven-year issue, and said the debt was popular a \$72m issue of subordinated among retail investors in the Benelux countries and France, where D-Mark debt offers a higher yield than

domestic alternatives.

The US Student Loan Mar- total was distributed outside Mae) issued almost \$2bn in global bonds split between a \$1.19bn 2½-year issue, a

Mr Noel Dunn, head of syndicate at Goldman Sachs in London, said that about 25 per cent of the combined

UK Indices FTSE Actuaries Govt. Securities -- Low coupon yield --- Medium coupon yield --- High compon yield --- Mar 12 Mar 11 Yr, ago Mar 12 Mar 11 Yr, ago Mar 12 Mar 11 Yr, ago 2.59 5 yrs 1.83 15 yrs 2.31 20 yrs 1.00 fred.† 2.30 7.53 8.29 8.37 8,37 -0.07 -0.22 -0.47 -0.33 -0.22 6.98 7.42 7.48 7.57 8.32 6.38 7.08 7.94 7.35 Up to 5 years (19) 121.06 151.81 6.90 7.44 7.51 5-15 years (21) Over 15 years (6) 152.14 173.84 173.03 Mar 12 Mar 11 Yr. sgo Mar 12 Mar 11 Yr. ago

Govt. Secs. (UK) 95.50 95.77 95.90 95.70 95.55 92.36 96.74 91.59 GBt Edged bargains Fixed Interest 119.43 119.72 119.59 119.45 119.35 111.26 120.18 110.74 5-day average O FTSE International Ltd 1997. All rights reserved. - for 1996/97, Government Securities high stone completion: 127.40 (interest securities) and the completion of the

BENCHMARK GOVERNMENT BONDS III BUND FUTURES OPTIONS (LIFFE) DM250,000 points of 100% Day's Week change Yield ago
 Coupon
 Date
 Price
 change
 Yield
 ago
 ago

 6,750
 11/06
 92,7184
 -0.080
 7.83
 7.82
 7.36

 5,825
 01/07
 99,8500
 -0.020
 5.64
 5.65
 5.75

 6,250
 03/07
 103,5400
 -0.260
 5.78
 5.74
 5.71

 7,000
 12/06
 103,9500
 +0.270
 6.45
 6.46
 8.56

 8,000
 03/06
 111,2400
 -0.220
 8.33
 6.33
 6.47

 5,500
 10/05
 107,4700
 -0.040
 5.49
 5.49
 5.58

 6,000
 01/07
 102,4000
 -0.070
 5.67
 5.66
 5.73

 8,000
 08/06
 109,4400
 -0.120
 6.62
 8.59
 8.63

 7,750
 11/06
 101,6000
 -1.120
 7.51†
 7.48
 7.31

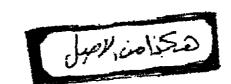
 8,300
 09/05
 105,0225
 +0.113
 2.30
 2.41
 2.39
 M NOTIONAL ITALIAN GOVT. BOND (BTP) FUTURES (LIFFE)* Lira 200m 100ths of 100% Est. vol Open int. 09/05 105,0205 01/07 101,3400 02/08 117,8500 03/07 102,4100 08/07 108,0375 12/00 103-24 12/05 101-10 10/08 112-10 02/07 97-19 02/27 97-05 04/06 108,8400 5.45 6.82 6.89 6.84 7.31 7.40 6.58 6.85 8.00 -0.420 -0.230 -5/32 -11/32 -13/32 +4/32 +4/32 -0.120 Open Sett price Change High 112.70 112.39 -0.34 112.95 112.79 112.27 -0.55 112.90 Jun UK ■ NOTIONAL UK GALT PUTURES (LIFFE)* 950,000 32nds of 100% Open Sett price Change High 112-08 111-30 -0-10 112-08 111-28 111-21 111-15 -0-10 111-25 111-11 IE ECU BOND FUTURES (MATIF) ECU100.000 -0.14 131.22 130.92 -0.20 129.92 129.68 -0.20 128.14 128.14 High III LONG TERM FRENCH SOND OPTIONS (MATIF) Jun 2.30 1.62 1.05 0.63 0.35 WS TREASURY BOND FUTURES (CBT) \$100,000 32nds of 100%

| | TAME COME | | BURL | LAIO | | This | 3. OK | ىيىسى | On linear | 1 GK 1U | U70 | _ | | 7 | <u> </u> | | 4 130,4 | | | _: | _ | | |
|-----------------------------|--------------------------|----------------|--------------|-------------------------|----------------|-----------------------|--------------|----------|--------------------------|--------------------|--------|------|---------|------------|----------|--------------------|------------------------------------|------------------|--------------|------------------------|-----------------|----------------|--------------|
| | Open | Sett | price | Change | 9 | High | ī | OW | Est. vol | Оре | n Int. | | | | pen | Cio | se Change | _ | | Low | Est. vol | Open | int, |
| Jun | 101.81 | 101 | .78 | -0.01 | 1 | 01.92 | 10 | 1.58 | 140400 | 239 | 712 | Jur | | 12 | 5.77 | - | - | 125,8 | 22 1 | 25,72 | 7046 | n/e | 2 |
| Sap | 101.00 | 100 | .91 | -0.01 | 1 | 01.00 | 10 | 0.90 | 20 | 61 | 88 | Sq | P | 12 | 4.38 | - | - | 124.3 | 18 1 | 24.38 | 25 | n/e | |
| | | | | | | | | • | | _ | | - U | FFE N | ÇTEL B | ino tra | ded on | APT. All Open | interest | figs. an | e for pre- | dous day. | | |
| UK | GILTS F | PRIC | ES | | | | | | | | | | | | | | 3 | | | | | | |
| | | | | | - | | | _ | | | | _ | | _ | | | | | _ | | | | |
| | | | | | | _ | | | | | | | | | | | | | | | | | |
| | Holes | · 🙀 | Yleid Red | Price E + | <u>a-</u> | Noge | erek Love | | | N _e tes | | Red | Price 2 | +#- | _Qt | LOW | | Notes | ñ' | 7941_ (2) Pric | e£ +a- | _ 52 w High | eek Low |
| Share" (L) | ups up to Fixe Y | | | | | | | Trees 7 | 1 ₂₀₀ 2006‡ | | 7.40 | 7.30 | 1011 | 4 | 1032 | 9412 | India - United | | | | | | |
| | | · 10.49 | ٠ | | _ | 1872 | 100 | Trees ? | Aur. 20081 | <u></u> | 7.54 | 7.33 | 1026 | -3. | 1074 | 98.5 | 45m; 98#1 | A356 | - | 1.88 1 | 144 -6 | 1143 | 1113 |
| | pc 1897## | 8.97 | 6.07 | 100}} | | | 100, | | pc 2002-61 | | 7.75 | 7.19 | 1032 | | 104,5 | 98 | 2 ¹ 2pc 11 | (78.2i) | 2,67 | | 863 -II | 1143 | 17617 |
| Teess & Appc | | 164 | E.06 | 101表 | | | 1014 | | | | | | | | | | 2 ¹ 50t 113 | | 2.90 | 3,33 1 | 839 | | 1722 |
| Each 15gc † | | 14.23 | 6.12 | 105% | | 1147 | 10233 | | 14pc 2003 | | 9.55 | | 12134 | | 1246 | 115 ¹ a | 4 hpc 7444 | | 2.90 | | 1848 – 🧏 | 1202 | 1137 |
| Eco 94pc | | 9.47 7.18 | 6.19 | 10233 | | 10631 | 1004 | | ¹ 29C 2007 ‡ | | 7.85 | 7.34 | 1082 | | 11953 | 1013 | 2pc '06 | -485 | 3.09 | | 2013 — L | 19534 | 179 |
| Trace 7 Lipe | | | 6.27 | 183 | | 10948 | 100, | | 1/4pc 2007 | # | 7.28 | 7.30 | 994, | -1: | 1025 | 97]] | 2½pt 19 | | 320 | | 744 -12 | 1762 | 161 |
| Trues 151 ₂₀ | C 3044 | 19.70 11.04 | 6.46 | 1135 | | 1224 | 1135 | Tirees 9 | p= 2008 # . | | 8.01 | 7.39 | 112% | - å | 11473 | 103 <u>41</u> , | 2½00°11 2½00°13 | (74-6) (89.2) | 126 | | 哪 - 4 | | 1002 |
| 5en 12sc 1 | | | 6.50 | 108년 105권 | * | | 108 | Tipese 8 | ac 2008 | | 7.65 | 7.43 | 10413 | -14 | | 9613 | 21200 13 | (07.47 (07.61 | 3.31 3.35 | | 侧龙 | 15025 | 1364 |
| Treas 91 ₂₀₀ | | 9.04 | 6.53 | | - | | 971 | | 1/4pc 2010 | # | 6.99 | | - | | | - | 2,500,20 | | 3.0 | | 167 - 7 | | 151 |
| | mb 1998# | | | 100点 | - - | 100 | #1 | | | | | 7.49 | 翻 | _# | _ | 외즂 | 2100C 7411 | | 144 | | ^~ 2533. –11 | 128£ | 1392 1153 |
| Bich 124pc | | 11.07 9.74 | 6.51 686 | 110 <u>6).</u> 10783 | - | | 1103 | USBY 15 | ps La 2011 ‡ | | 7.95 | 7.48 | 1137 | | 115 | 104 | | (135.1) | 3.64 | 3.57 :23 | | 125% | 1134 |
| 10000 10*20 Venez Dec 11 | # 1999 998 ## | 607 | 8.58 | は細 | | 11 (<u>31</u> 994 | 107 968 | | | | | | | | | | | | | | | _ | |
| | 10 ⁴ -0c 1999 | 244 | 6.70 | 100% | 7 | | 107% | | | | | | | | | | Prespective re | DI FROM | Doou L | ann ea b | Olected in | | 9. (J) |
| Canadasia Canadasia | | 8.50 | 8.78 | 10573 | | 1083 | 10343 | | | | | | | | | | 10% and (2) 5 | 75. (D) 11(| res r | baretin | MAS STOW | RP1 bes | # for |
| Trees 13pc 2 | | 11.01 | 6.85 | 118表 | | 1231 | 1174 | | | | | | | | | | indecing pe 8 : reflect rebasin | v vice b | 10 T 10 | O la Cab | I IEWO DOS | n august | 80 10 |
| | 1996-1 | 12.88 | 6.29 | 1087 | | 116[] | 1058 | | Heat Years | | | | | | | | factor 3.945. F | gorna Maleri | MA 10 | V III PAGO Maispain | CONTRACTOR | . CONTR | 1007 |
| reas (apr Teas ânc 2 | | 7.71 | 6.83 | 103E3 | ī | 10423 | 1012 | Treas 9 | ps 2012#L | | 7.52 | 7.49 | 11343 | وا۔ | 1165 | 104% | 154.4. | y 1 Res (4) | | . roggy | 44 G J | Similar | 139/: |
| | ± 7001 | 5.67 | - | 100% | _ | | 101-0 | Trans 5 | l ₂ pe 2008−1 | 2# | 6.55 | 7.25 | 846 | -4 | | 75% | | | | - | | | |
| Tress 10pc | | 9.05 | 6.93 | 11013 | ェ | 1134 | 1002 | | æ 2013±± . | | 7.65 | 7.50 | 18413 | J. | | 9512 | | | | | | | |
| | 001 # | 6.98 | 6.94 | 100-3 | 7 | | 96½ | | 1 _{pc} 2012-1 | - | 7.83 | | _ | | | | | | | | | | |
| ای خوار معد… | vv: TT | | | -4472 | 76 | -017 | a. 2 | | | - T | | 7.53 | 102/3 | -4 | _ | 83 <u>15</u> | | | | | | | |
| | | | | | | | | | pc 2015## _ | | 7.61 | 7.48 | 105) | -12 | 1079 | | | | | | | | |
| | | | | | | | | (2000) S | ¥pc 2017‡1 | | 7.78 | 7.55 | 11212 | -13 | 113월 | 10212 | Other Fi | red b | tar. | et. | | | |
| | | | | | | | | Treas 8 | pc 2021## . | | 7.57 | 7.48 | TOTAL | -35 | | 95(| -widt FL | | ryc) (| -31 | | | |
| Her to Fills | | | | _ | | | | | | | | | | | | | | | _1 | | | _ 22 m | eek . |
| Treats 7pc 20 | | 6.87 | 6.91 | 100% | | 1012 | 9/33 | | | | | | | | | | | Notes. | int | Red Pri | CB € + Gr − | High. | |
| inus 94pc | | 8.71 | 7.02 | 112 | | 1224 | 100% | | | | | | | | | | Astan Der 184ge | ~~~ | | | | | |
| | <u> </u> | 7.65 | 7.07 | 1045 | | 105) | 96) | | _ | | | | | | | | Phase 11 2pt 201 | <i>200</i> | 8.46 8.66 | | 714 | | 11137 |
| iones Tüpe : | | 8.72 | 7.13 | | -4 | 1164 | 110% | Charles | | | | | | | | | Leads 131 ₂ 0¢ 200 | | 9.52 | 7.90 f; -137 | 75 — | 1325 | 1167 |
| frees 11 29 | | 9.94 | | 11500 | -3 | | | | 你 | | 7.72 | - | 51強 | -4 | 542 | 46% | Liverpool 31/20c for | | E 14 | | (함께 | 13712 | 129 27% |
| familian 21 _m | ne 1989-4. | 4.05 | 5 95 | 8-23 | | 16.73 | 7413 | West and | | | 7.50 | | | | | | | | B. 17 | - 4 | | 43 | 25'13 |

| | | | | | | | | | | • | | | | |
|---|--|---|-----------------|--------------|---|-------------------|--|-----------------|----------------|---|--|-----------------------|----------------------|---------|
| | | | | | - | | | | | | | | | |
| FT/ISMA INTERNAT | (ON | AL E | SON | D S | ERVICE | | | | | | | | | |
| Listed are the letest international bo | nds for | which t | here i | an ex | lequate secondary market. Latest pri | ces at | 7:10 pm | en i | Amch | 12 | 7. | | | |
| lesped | | Offer | | • | bousei | | | | | | d B | d Offer (| Chy Yield | |
| U.S. DOLLAR STRAIGHTS | | | | • | Spain 7 ² 4 03 4000 | 1103 | 110 ¹ 2 | | 519 | Abbey Neil Treasury 8 03 E 10 | | | J ₄ 752 | =" |
| Abbey Nati Trassury 6th 03 1000 | 98 ¹ 2 | 98 ⁵ 8 | 428 | 6.80 | Valkswagen Intil Fin 7 08 1000 | | | | 544 | British Land 87, 23 £ 15 | | | J 88 | |
| ABN Antro Bank 7 ³ s 05 | 101 | 101,8 | | 7.21 | World Bank 5% 03 \$500 | 1043 | | -16 | 5.08 | Denmark 64, 98 £ | 00 100 ⁾ | 100% | . 65 | 2 : |
| Aldest Der Bk 7% 28 | 984, 102 | 99 ¹ g | -4 | 7.4B 6.27 | World Bank 61 ₈ 02 | 1054 | 1057 | | 4.91 | Daple Finance 71s 03 £ 5 | 97 | | 7.5 | |
| Acien Day Rook 6L (15 750 | 98 ¹ 2 | 102 ¹ 4 95 ² 4 | | 627 681 | World Bent; 7 ¹ s 05 | 110% | 710 ¹ 6 | ₩, | 5.54 | EIB 8 03 £ 10 | DO 103 ¹ DO 100 ¹ | | · 727 | i |
| Asian Dev Bank 64, 05 750 Asstria 64, 00 400 | 1054 | 105% | +1- | 8.47 | SWISS FRANC STRAIGHTS | | | | | Garo Welcome 8% 05 2 9 | | | - 77 | |
| Bacien-Wuertz L-Firs 64g 00 1000 | 104 ¹ a | 1044 | - | 6.49 | | 42 | 44 | 3 | 4.70 | | | | -3-77 | / k |
| Bank Ned Gemeenten 7 99 1000 | 9112 | 92 ¹ 4 | -74 | 9.12 | Asian Dev Bank 0 16 500 Aushin 4º2 00 1000 Denmark 4º4 99 1000 EB 5º4 99 1000 First 04 50 1000 First 7º4 99 300 First 07 4 99 300 Celer 07 5 00 1000 Celer 07 5 00 1000 Celer 07 5 00 1000 Carbo 6º4 03 400 Carbo 6º4 03 100 Carbo 6º4 03 100 Carbo 6º4 03 100 Carbo 6º4 04 00 100 Carbo 6º4 04 04 04 04 04 04 04 04 04 04 04 04 04 | 1053 | 1064 | | 247 | 201y 10 ¹ 2 14 E 4 | 00 123 | | | 5 - |
| Bakes Aktainapy 8 ₁ 6 (10 ———— 200 | 1013 ₃ 104 | 101 ¹ 2 | | 6.35 6.54 | DETRIERS 444 59 | 1044 | 105 1035 ₈ | | 231 130 | Japan Dav Bk 7 00 2 2 | | | 나 : 6.90 나 : 6.00 | |
| Ratelan Sh (2) 1001 | 023. | 94 | -l | 6.68 | BB 64 04 300 | 1164 | 1185 | 3 | 420 | Ontario 11 ¹ / ₂ 01 2 10 | D 112 | | 7 72 | |
| British Columbia 73, (12 500 | | 1043 | • | 6.78 | Finland 7 ¹ 4 99 300 | 1114 | 112 ¹ | 4 | 247 | Powergen 87 03 E 2 | 50 105 | | 7.75 | |
| British Gas 0 21 1500 Canada 6 ³ g 05 1900 | 1538 | 15% | | 7.89 | Heleba Finance 34, 00 | 104 | 104% | 4 | 246 | Powergen 87 03 E 25 | 50 10 | | | |
| Caracia 6 ³ 2 05 | 97 ½ | 97 ⁵ g | 7 | 6.86 6.87 | 100 Later April Day 43: 03 | 1153 | 111 | 7 | 272 3.16 | Tokyo Elec Power 11 01 £ 15 | D 1124 | | -14 736 -14 816 | • |
| China 61- 04 | ggl, | 96% | 778 | 7.32 | Ontario 6% 08 | 1163 | 11832 | ᅶ | | TCNZ An 94 02 NZS 2 | 75 104 ³ 50 101 ⁵ | | 44 E17 | |
| Credit Foncier 91/2 99 | 10512 | 105% | | 6.40 | Quebec Hydro 5 08 100 | 104 | 105 | -2 | 4.53 | Credit Local 6 Ot FF7 | | | 4.75 | |
| East Japan Railway 6% 04 600 | 96 | 984 | | 7.00 | SNCF 7 04 480 Sweden 4% 03 500 | 1214 | | -51 | 3.65 | Denmark 512 99 FFt 700 | 1035 | 1034 | 4.07 | |
| B8 6 04 500 Bec de France 9 98 200 | | 96% | | 6.84 6.23 | Sweden 4% 03 | 100 | . 110 | ٠., | 3,17 | Bac de Prance 84, 22 PFr 300 | 128 ¹ | 2 125% | 7 84 | , |
| | 102 ⁵ 8 105 ³ 4 | 1027g 1055g | 8 | 673 | World Bank 0.21 700 World Bank 7.01 800 | | 32½ 118¼ | 4 | 4.75 | FLOATING RATE NOTES | • | | | Ξ |
| Ex-im Bank Japan 8 (2 | 104 | 104 | | 824 | 1000 000 7 01 | 110-4 | 1104 | 2 | 211. | TURKING PASE PUISS | | 6 Office | · Capi | - |
| Expron Capital 0 04 1800 | 60¥, | | 4 | | YEN STRAIGHTS | | | | | | | 28 100.00 | | • |
| Fed Home Loan 7 ¹ 8 98 | 101% 103% | 102 104 | 균 | 6.85 | Belgium 5 99 75000 | 110% | 11118 | 4 | 0.99 | Abbay Neti Treasury - 1/2 98 1800 Argentaria Global Fin 8 Ct 700 | | | | |
| Finland 7% OL | 1034L 1063 | 1085 | | 6.85 6.88 | Gredit Fonder 43, 02 75000 88 6 00 100000 | 114 1165a | 1144 1167 | 4 | 1,99 | Benkamerica 5 99 750 | 991 | 100,07 | .50002 | 1 |
| Finland 7% 04 1500 Ford Motor Credit 6½ 02 1250 General Mills 0 13 1000 | 985 | 981 | | 6.95 | Ex-ten Bank Japan 43 03 105000 | 1142 | 114% | ąJ _e | - 1 <u>.99</u> | Banksmerts \$ 99 750 Canada \$ 99 2000 CCCCE 0 05 Exx 200 | 99.7 | | 1. 52597 | |
| General Mills 0 13 1000 | 25% | 28³ ₈ | -lg | | Fed Nat Mort 2 99 | 102% | 103 | • | 95 | CCCE 0 05 Ext | 99.7 | | 4.1325 5.3750 | |
| IN Finance 51 ₀ 68 660 | 96 ¹ 4 | 99 ¹ 2 | | 6.32 690 | Inter Amer Dev 74 00 30000 | 11918 | 1193 | | 1.08 | Commercials O.S Fig1 ₈ 98 750 Credit Lyometis ± 00 | 992 | | | |
| Inter-Amer Day 6 ¹ 2 08 1000 Inter-Amer Day 7 ¹ 2 05 500 | 103% | 103% | 4 | 6.90 | lasly 5 04 200000 lasly 5 04 200000 Japan Dav Els 5 98 100000 | 108/2 | 108 ¹ 2 | μLe | 1.48 2.35 | Dreather Finance & 98 DM _ 1000 | 202 | | | - • • , |
| Mil Finance 54 99 500 | 38,5 | 95% | | 6.13 | Japan Day Bir 5 99 100000 | 110-2 | 1102 | 74. | 032 | Fed. Hat Most - \$ 00 | 98.7 | | | |
| haly 6 03 2000 | 963 | 95% | _ | 6.80 | | 122 | 1224 | | 1.44 | Firend 4 98 1500 | 99.5 | | | |
| lady 6% 23 3500 Japan Day 8k 8% 01 500 | 624 1054 | 93 ¹ s 106 ¹ s | -1 ₆ | 7.85 | SACF 64, 00 30000 | 1154 | 117 | | 1.00 | Heliar BS 0 98 500 Mil Bank Int 14 99 500 | | | | |
| Kones Bec Power 6% 08 1350 | 98 98 | 36% 300% | ı | 6.62 7.26 | Spein 5% 02 125000 World Bank 5% 02 250000 | 119% 117% | 119 % 118 | | 1.63 7.55 | 24y À 991500 | | 6 100.42 | . 58250 | |
| Matsushita Elec 74 02 | | 10212 | ᅸ | 6.85 | | 1114 | 110 | 7 | . 1.20 | 耐 4 98 Ecu 1500 | | | 4240 | |
| Ontario 73 03 3000 | 102% | 103 | 4 | 6.89 | OTHER STRAIGHTS | | | | | LICE Backer-Watert Fin 1 98 . 1000 | | | | |
| Ontario 74, 02 2000 | 10412 | 1044 | | 6.82 | | 99 ¹ 2 | 100 ¹ 8 | 412 | 1522 | Hoyde Bank Perp S 0.10 600 | | | | , |
| Oster Koniroliberik (§ ¹ 2 01 | 106½ 94¾ | 106 ¹ 2 | ᆂ | 6.63 6.64 | World Bank 15 99 R | 1014 | 1015 | 4 | 14.24 | Nova Scotta 2 99 | | | | |
| Quebec Hydro 94, 98 150 | | 1017 | -8 | 6.46 | Austin 6 ¹ 2 99 Fl | 105% 105% | 105 ¹ 4 105 ¹ 2 | يار. | 3.73 5.73 | Ortatio 0 99 2000 | 100.1 | | 5,496 | |
| Quebec Prov 9 98 200 | 1025 | 1027 | | 6.37 | | 1113 | 1124 | - | 5.14 | Portugal & 98 DM 2500 | . 1002 | | | |
| \$A\$ 10 99 200 | 105% | 10638 | | 6.69 | | | 1083 | 44 | 626 | Curabac Hydro 0 99 500 | | 6 99.90 | | |
| SNCF 8 ¹ 2 98 150 Spain 6 ¹ 2 99 1500 | 104 | 1044 | | 628 | | | 107% | 4 | 4,98 | Perile 0 98 500 | | | | • |
| Saurios Glo 07 com | 381 ⁵ 1001 ³ | 1005 ₈ | 1. | 626 6.71 | Bec de France 93, 99 C\$ 275 | 1104 | 111 | | 5.07 | Spain - 12 02 0M | 1000 | | | . • |
| Tennessee Valley 6 00 1000 Tennessee Valley 63 ₆ 05 2000 Tokyo Eec Power 61 ₈ 03 1000 | 28/ 20-5 | 98% | 갋 | 6.49 | Notice Tel Tel 10 tr CS 400 Notice Tel Tel 104 99 CS 200 | 115 1124 | 1153 | +12 | 5.68 | Sweden — 01 | 993 | | | ì. |
| Tennessee Valley Big 05 2000 | 973 _e | 97 ⁵ 8 | -1 | 691 | Ontario 8 03 CS | 10012 | 112축 100독 | ــلد | 5.13 6.17 | United Kingdom - 12 01 | to. | B 99.26 | 53125 | • |
| Tales Eec Power 64 03 1000 | 97% | 974 | 41 | 6.56 | Ontario Hydro 9 02 C\$ | 1134 | 1144 | 7 | 520 | | | - | ٠, - | |
| Toyota Motor 57: 98 1500 | 9912 | 984 | 4 | 5.15 | Ontario Hydro 9 02 CS | 111% | 111% | į, | 477 | CONVERTIBLE BONDS | • • • | ٠. | | • |
| UMBS Kingdom 64, 01 2000 | 1014 | 1014 | | 643 | Oster Kontrolibank 104, 99 CS _ 150 | my | 1117 | 1 | 497 | | Cath | | p Paper | • |
| United Kingdom 74, 02 3000 | 103, | 1035 _B | -}¢ | 6.52 | Quebec Hydro 7 04 C\$ 1000 Quebec Prov 10 ² 2 88 C\$ 200 | 105/ | - 103 | 44 | 6,62 | jaojed | | | | ٠ |
| Walt Disney 6% 01 1300 World Bank 6% 05 1500 | 99 975a | 994 974 | 1_ | 6.77 6.88 | Quabac Prov 10°2 85 C5 200 | 100 | 100% | ή | 4.56 | Alled-Lyons 64, 08 P 200 | 604 | | 7 +30.15 | |
| World Bank 87 99 1500 | 105% | 106 | -8 | | | 115k | 11512 | 7 | 525 6.09 | Fuji Ind Finance & 02 Y 210000 * | • • | 914 SZ | | |
| - | | 100 | | . تحد | Denmark 8/2 02 Ecu 1000 | | 113 -1143 | J, | 5.30 | Gold Kelgoorie 7 2 00 65 | 1,37 | 11(1) | | |
| DELITSCHE MARK STRAKHTS | | | | | EC 6 00 Eq 1100 | 1041 | 1043 | -3 | 459 | Grand Metropolitan 81 ₂ (3) (10) | 31.05 | 11812 117 128 1318 | 7,88 | |
| Austra 6½ 24 2000 | 993 | | 4 | 6.55 | BB 10 01 EQ 1150 | 117'2 | 1174 | ٠ | 4.91 | Hong Kong Land 4 01 410 Land Secs 51, 02 2 84 | 672- | | | |
| Szden-Wysti L-Finance 6 99 _ 2000 | | 1043 | | 390 | Finland Sha (G Fey 750) | 1166 | 1165 | J, | 6.25 | Legge 74 05 2 | 684 | | | 1 |
| | 1083 ₄ 1025 ₂ | 108 1023 | _l_ | 548 382 | Rally 94; 11 Ecu 2500 Bally 104; 00 Ecu 1000 | 1247 | 1254 | وآل | 6.49 | MSL Int Fin 8 02 2000 _ | 22 | 102 102 | | |
| USDE2 Finance 6% (G) (976) | 105L | 1054 | 3 . | 5.42 | ESPy 1074 00 Edu | 1102 | 1167 | 1 | 4.89. | Learns 74 05 2 90 MGL Ind Fin 8 02 2000 MRad Bank 29 08 200 | 2352.6 | _ 20 . 6 | Z . | , |
| Deutsche Elk Fin 7 ¹ 2 (El 200) Deutsche Finance 5 ¹ 4 (b) 250) | 1101 | 11012 | • | | ADC 10 99 AS 100 | | 1144 1054 | 3 | 495 7.32 | ·Ogden 6.0235 : | : ' - | | 8 4.88 | |
| Deutsche Finance 5½ 04 2500 | 1027 | | ڇڌو | 5.33 | | 1134 | 1144 | 3 | 751 | | 8,6097 | 1174 | | •• |
| CO. NO (T) | 1001. | -401 | | | COD -1 00 40 | | | _= | | | | | | |

1500 105% - 3000 108% - 2250 105% - 2250 104% - 1500 102% - 1500 104%

عدامن المعل



COMPANIES AND FINANCE: UK

BP will reach growth target early

By Robert Corzine

THURSDAY

AS NEW !

later in a

韓国になった。

Heren Miller

网络克拉亚克克

難 解 说。 主心

Note Charges ...

STRATE

Bette Marie Land

-₹a--,,

t Indiana

Alandary . .

a hand triffer .

tatelli einen.

Br Berteit, Breiter

ma tar

着 24 あいか

464 (44)

ROLL TO THE

at any to the second

Vi. Un

hard him

Cas Section

والمساع أجيا

Bellevier .

THE PERSON IN

声音识

SECURITION OF

... 6,5,.....

A Section 1

A transfer of the second

网络线索电流 化二十二

\$. S

terror and a second

giringen for co-

Str. South

in €0-...

生学を 7 1:デイ

 $\S(\operatorname{post}(h_{\mathcal{D}}))^{-1})$

हुक≪ा च

aran termina

Section 1

والمرافقيني

Secretary of

21 Je 75

April 11

*2 ± . .5

are . $\underline{e_{X}},\underline{e_{X}},\dots,\overline{e_{X}}$

Section Market See

ASS TABLE T ا موا . = 2...

38 PM 177 \$2.0-46°

1557) A 1 * ***

المراجع والمستهية gert in 1944

K AND THE STATE OF THE

6. 2 tion.

سنسخو And the second 21915

See Mary

<u>ئىنى</u> ئىدىنى ئىدىنى</u>

4.50

والمتعارض فيتاني grade de la comp - - - · ·

A ...

Add on the same

秦秦 (1985年)

garage and the

F 49 1 4 4 4

 $T_{\rm G}(\Delta D_{\rm max}) = 0.00$

Approximate to the

学练心

数 35 = 1 1 1 1 1

R L's ahead weakh

sitions hurt Thomas

经算7.514.

轉換 机砂锅 点点

moves clos

British Petroleum's target to raise underlying annual profits \$1.5bn by the end of the decade will be reached at least a year early, largely because of a sustained 5 per cent a year expansion of oil and gas production.

Mr John Browne, BP's chief executive, told investment analysts in London yesterday that oil and gas output would jump by twothirds over the next decade to 25m barrels a day. Moreover, the strong growth in output would be matched by annual additions of new

reserves, he said. BP confirmed that it and its partners had made two big discoveries last year. The Perseus field off Australia's Northwest Shelf contained an estimated 9,000bn cu ft of natural gas. The other big discovery was the Girassol

cut to

£2.5m

By Paul Taylor

last year.

after rejig

technology systems and ser-

vices company which is lim-

bering up for flotation by

2000, completed its restruct-

uring and almost broke even

Mr Keith Todd, chief exec-

utive, said the group, which

is 90.1 per cent owned by

Fujitsu of Japan, had suc-cessfully completed its tran-

sition from an old-style com-

puter company into a

systems and services busi-

oil field off Angola. "sustainable" annual growth
But Mr Browne said BP rate for the company's reve-

the big old US and UK fields that have been its traditional actions. production base. In the UK, North Sea unit costs at the ageing Forties field were falling at a stage when they normally rise.

position as a mainly upstream-oriented company by directing most of its \$5.6bn capital expenditure this year on exploration and production.

Mr Browne said strong growth of low-cost volumes should help BP - whose share price traditionally tracks that of the crude oil price - become less sensitive to such external influences. "BP is no longer an oil price play," he said. He did not foresee any big

had also extended the life of nues of 10 per cent depend on taking any radical

Asked whether possible tax policies of a Labour government in the UK might undermine BP's premier position in the North Sea, BP intends to reinforce its Mr Browne said it was clear that the current offshore fiscal regime had succeeded in lifting production and ensuring steady investment. "Industries generally don't

like too many changes. Although BP achieved a record 30 per cent rise in net profits last year, Mr Browne said there was "no pressure at the moment" from shareholders for an early special dividend or share buy-back. It was determined "to give a direct reward to shareholders", but he noted that divistrategic change of direction for the group. Nor did a also 30 per cent.



John Browne: two large discoveries - off Australia and Angola - were made last year

Slowdown at core Rentokil business ICL loss

By Ross Tieman

Shares in Rentokil Initial, which became the world's biggest services group after acquiring BET last spring for £2.3bn, dropped more than 9 per cent yesterday after news of slowed growth the information in the core cleaning and pest control businesses.

> Pre-tax profits soared 48 in 1996, thanks mainly to an eight-month contribution from the BET businesses. Underlying profits growth at the original Rentokil busi- the same results, because

nesses slowed to just 6.25 per shares fell 42½p to 415½p. Sir Clive Thomson, chief executive, said the slowdown, after more than a decade of earnings growth exceeding 20 per cent a year, was a temporary blip.

Sir Clive said monitoring Rentokil performance had taken second place to integper cent to £318m (\$518.3m) rating BET. "If we hadn't in 1996, thanks mainly to an acquired BET I would be very surprised if the Rentokil results that you have seen today would have been

growth in earnings of 20 per cent", he said. But performance was improving. Analysts were deeply ing expenses.

"The period of 20 per cent a year earnings growth seems to be over," said one. "It bought BET just to keep it going for another couple of years."

But others suggested the sive. "Clearly it is difficult to earns more than half its revintegrate a business of this enues outside the UK will

sidered the Imry portfolio

said there were a number of

hurdles still to be overcome

at Southampton which could

explain Rodamco's decision

management would have size," said one. Assessments see profits eroded by 5 per cent. The highly rated had as its highest priority of performance were complicated by Rentokil's decision to absorb £16.4m of integration costs within its operat-

> divided about the outcome. Brokers said future profitability would be flattered by Rentokil's decision to write off last year £250m of BET's seems clear now that they £312m of net assets after a review conducted with its auditors, Price Waterhouse and KPMG.

share price fall was excess strong, the group, which investors.

regarded as too onerous.

There were also worries at

the time it might take to

pursue compulsory purchase

cent upon translation. Aided by an eight-month

contribution from the BET businesses. Rentokil marginally exceeded its growth target in 1996. The BET businesses contributed £84.6m to pre-tax profits. The original Rentokil businesses raised pre-tax profits 9 per cent to

£233.4m. Rentokil also announced a 2-for-1 share split in an effort But if sterling remains to attract more individual

Lex, Page 16

Barclays and Rodamco in £249m

Construction Correspondent

ness, and was poised for By Andrew Taylor. growth: "We have established ICL as a focused systems and services company and are well placed to build on the sound foundations in 1997. ICL, which made a number of disposals last year as

part of its restructuring, reduced pre-tax losses to £2.5m (\$4.07m), against £188.3m in 1995 after exceptional charges of £151.5m. Turnover dipped to £2.92bn (£3.11bn) while operating losses were £6.6m. Operating profit on con-

tinning operations £38.5m (£97.7m loss). The figures included an exceptional credit of £13.3m for unused provisions. Reve nues on continuing operations were flat at £2.44bn (£2.48bn).

Among the businesses rways adds to Big sold were D2D, the contract manufacturing side, and ICL Medical and Access Manager. In addition, the volune products personal computer operations were transferred to Fujitsi.

As a result of these moves ICL's headcount fell from 24.000 to 19.000.

Looking ahead, Mr Todd set out a number of priorities for 1997 including improving margins. He said the financial improvement last year was "more modest than I would have liked", but expressed confidence that the group would "make reasonable progress this year" towards enhancing operating margins. The tar-

Barclays is selling a large part of the property portfolio

of Imry Holdings, the development company it rescued in 1992, for £249m (\$406m). The sale to Rodamco, the Dutch property investment fund, excludes Imry's proposed 1m sq ft retail centre in Southampton, potentially its most attractive asset.

not ruled out making a bid for the development, which is expected to cost up to £250m. Marks and Spencer yesterday announced that it was joining John Lewis as the second anchor tenant at the 53-acre West Quay development. Last week Southampton city council approved detailed designs for the shopping mall.

Rodamco said that it had

group had been expected to pay up to £450m for the whole of Imry. Concerns about the South-

However, rival property sions in the planning permis-

not to proceed. The Dutch ampton project were we now own 99 per cent of redeem £100m of preference

companies which also con- sion which some developers

executive deputy chairman, said: "I am not aware of any onerous provisions attached to the planning permission: believed to include provi- the land. The compulsory shares in Barclays' books at purchase orders are simply a £56m, and to pay sale costs.

mopping-up exercise. Barclays has sold 14 Imry properties, including the 500,000 sq ft Shires shopping centre in Leicester. The proceeds would be used to repay

Mr Martin Myers, Imry's £114m of third-party debt and £91m of debt owed to the The remaining £44m would be used partially to

he said.

Mr Malcom Walker, chairman and chief executive. said the structure of the payout would allow shareholders to sell if they did not share management's view of the future. "Those who share management's confidence will be able to stay."

Iceland

LEX COMMENT

J Sainsbury has been Food retailers branded the victim of the so-called supermarket Share orices relative to the wars, but the real losers FTSE AM-Share index have been small highstreet retailers such as Iceland, Kwik Save and Somerfield. Their shares now trade at half Sainsbury's price/earnings ratio. And this may not fully reflect their woes. Superstores have lower costs and are winning sales with loyalty cards, low prices, own brands and longer opening hours. One solution for the smaller retailers could be industry

restructuring. But while food retailers would love to cherry pick the best stores from their weaker competitors nobody wants the lot. And merging Kwik Save and Ice-

land would add up to little more than Kwiksand. Iceland has therefore turned to financial restructuring And all credit to management for looking at creative methods of rewarding shareholders in this bleak environment. It plans to gear up by buying back 35 per cent of its shares at a premium price. This reduces the dividend and tax bill, and gears up equity returns if profits recover However, it does not address Iceland's fundamental problem, which is that its niche as the high-street seller of frozen foods is rapidly evaporating. And other sales initial tives, such as home delivery, look unlikely to stop the rot If profits decline, a leveraged (celand will have to cut capital expenditure to pay interest, creating a vicious circle of business decline. Shareholders should therefore thank management and accept as much of its kind offer as possible.

Iceland plans share buy-back

By Peggy Hollinger

Iceland, the frozen food retail chain, vesterday unveiled plans to distribute £118m (\$192.3m) to shareholders and cancel more than a third of its equity in a bid to bring about a rerating of the shares, which have fallen by 30.4 per cent in the past year.

lceland is proposing to pay ordinary shareholders 315p and five shares for every eight owned, equivalent to 105p per share.

Mr Walker said he hoped the buy-back would lead to a rerating of the shares. "It is a magical situation which should make everyone happy," he said. The offer represented a 20 per cent nremium to the closing price the day before the announcement. Iceland shares closed yesterday 12p higher at 99¹.₂p.

Iceland maintained its final pay-out at 3.6p which. with an increased interior leaves the total 2.9 per cent higher at 5.4p.

Sorrell hints at breaking WPP to return value

WPP, the advertising group, could be broken up in five vears if it does not add sufficient shareholder value, Mr Martin Sorrell, chairman, said. This could be achieved by divestment or by reducing the role of the corporate

WPP, which embraces the Walter Thompson and Ogilvy & Mather agencies. has 40 operating companies worldwide. Assembled by acquisition in the late 1980s, they include BMRB, the market research company, and Hill and Knowlton, the public relations agency.

in the US.

Mr Sorrell's remarks, in an interview with the Financial Times, come at a sensitive time for WPP's share price. Under the second instalment of a controversial incentive plan set up for Mr Sorrell two years ago, he receives free shares worth almost £3m if the price remains

WPP's corporate centre cost Corporate break-ups are £16m-£17m a year. "One increasingly fashionable in must compare that with the between group companies.

issue is shareholder value." tre to a holding company.

the UK, following a trend set extra revenue it brings." At present, about 25 per cent of WPP's £1.7bn revenues involved co-operation "If you work that through, it more than covers the cost." he said. WPP would also look for intangible benefits from working as a group. If at the above 230p until next Mon- insufficient value was being day's close. Yesterday's clos- added, options include ing price was 264%p. divestment, restructuring or Mr Sorrell said: "The basic reducing the role of the cen-Reed Elsevier advances 10%

| get is 5 per cent. He said focusing on its existing operations in specialist systems integration, outsourcing and IT services, and on key market segments had helped ICL win a number of important contracts. In particular, ICL won the film contract to automate 19,500 post offices and the system for making benefit payments to 20m recipients—a contract which will produce more than £200m in annual revenues. | Anglo-Dutch and media g announced a 10 per cent i to £806m (4 through orga The result pleton, joint yesterday "w ular, only bl He pointed | sevier, the h information roup, yesterday a rise of nearly pre-tax profits \$1.3bn), largely mic growth. s, Mr Nigel Sta- chairman, said tere not spectac- | long-term of The bigg involved electronic I "We have the importions in of said, althou could many sition if the nity came a | absorbed, ken to invevelopment gest inves preparation sublishing. e de-emph ance of a ur growth gh Reed E gge a £3bn e right og | and a Tolley, the UK tax and legal publisher, and a 50 per cent stake in Shepard's, the US legal citation service. Operating profits at continuing operations rose by more than 12 per cent to £356m on sales of £3.38bn (£3.2bn). The Reed International board also announced yesterday a proposed 2-for-1 share split. The shares slipped 17p to £11.56%p. | | | e francisca de la composição de la compo | 5. GI Pr St 6. GI CC (II Ur 7. GI | hamot operty, ibaru House hana iblishing up. i Residential nits) IFIOC Canner enchi | Outright Purchase Outright Purchase | NICO Trading Company Various Afrique Link Limited | |
|--|---|---|--|---|--|---|--|--|---|--|-------------------------------------|---|--|
| RESULTS | | | | | | | | | 8: | | ioment Factors | | Industries |
| | Tyrneva (2m) | Pre-fex profit (Em) | EPS (p) | Correct (p) | Date of payment | Dividends Corresponding Swidend | Yotel for year | Total tast year | Secretary Parishes | | C Coldstores Units) | Outright Purchase | Various |
| Argent Yr to Dec 31 Baynes (Charles) Yr to Dec 31 Brant Inti G miths to Dec 31 Brant Marken Maciellan Yr to Dec 31 Malaya Yr to Dec 31 Recubel Make Yr to Dec 31 | 19.4C | 6.57 (13.6) 22.5 (17.7余) 0.035 (0.15) 10.29 (3.53 4) 5.37 (4.55) 4.31 (1.61) 18.0 (0.857) 15.5 (11.1) 37.24 (38.7♥) 56.2 (72.6) 1.32 (1.24) 12.71 (6.851 4) 12.71 (6.87 4) 12.84 (16.3♥) 12.84 (16.3♥) 12.84 (197.3) 23.87 (197.3) 23.87 (197.3) 23.3 (108.7♥) | - 8.2 (19) 8.39† (6.83) 1.7 (6.4L) 9.1 (1.7) 31.7 (27) 31.7 (27) 32. (1.4L) 4.51 (2.03) 8.81 (8.5) 21.7 (28.7) 13.19\$‡ (17.01) 18.8 (18.1) 5.29 (19) 22.41‡ (7.21) 8.29 (6.75) 1 (0.96) 5.22 (7.91) 5.22 (7.91) 1.7.13 (14.22) 91.9 (7.5) 12 (8.27) 17.7.1 (10.5.1) 34.1 (28.5) | 1.85 3.1 2.2 12.5 - 0.8 1.6 8.8 3.6 3 1.25 nii 2.6 0.33 2.5 18.95 3.56 14 | May 23 May 22 Apr 29 May 12 Apr 4 July 3 May 27 July 4 Apr 29 Apr 18 May 6 June 5 May 17 May 27 May 17 May 29 May 17 May 29 | - 1.6 3.1 1.4 11.5 1.3 8.8 2.3 2.5 6ii 2.45 0.33 2.3 17 2.97 11.5 | - 29 5.3 3.2 15.75 2.8 13.9 5.4 4.5 3 nii - 6 0.86 3.8 27.2 5.06 20 14.5 | 2.5 5.3 2 14.5 - - 13.8 5.25 3.7 4.25 - - 0.68 3.5 24.5 4.2 16 | Bisico de Propinsione de la companya | 11. Ni 12. Te 4: 13. Gi 14. Mi 15. FP As 16. Gi | | Purchase Joint Venture Joint Venture Outright Purchase Outright | Marubeni Corporation Dakmak Industries PSC Tema Shipyard Ltd. GAMA Film Co. Ltd. Octoglow SND Bi Knba Consult Kwadwo Asante Cons |
| Investment Trusts | RAY (b) | Attributable Earnings (2m) | EPS (p) | Current payment (p) | Date of payment | Corresponding dividend | Total for year | Tetal tast year | 3 . j | | | | |
| Darkmoor 9 mittes to Jan 31 * F&C Enterprise Yr to Dec 31 * Kelemoort Smaller Yr to Jan 31 * Renchasts Trust Yr to Jan 31 * Earlings shown basic. Dividende shown n fOn Incressed capital. \$0n reduced capital Foreign Income Dividend element. \$70m | 140.9 (102.6) 210.2 (175.4) 326.4 (295.9) et. Figures in brack + Companyetives (| 14 (12.7) ets are for corresponding restated, 11Turnover at | 10.01 (12.73) 2.99 (1.72) 3.74 (3.98) 13.66 (12.41) ng period. □ Net n nd profit figures ret | 34 2.4 2.3 3.9 X anted income. 4 and to combined | Apr 30 Apr 23 May 16 May 23 After exce 1 Reed Elsi | 2.9 1.2 2 3.25 ptional charge. evier businesses | 2.4 3.6 13.65% WAfter exce 4Pm for | 12.5 1.2 3.3 12.25 optional credit. ne. **Tincludes | | A CONTRACTOR OF THE PARTY OF TH | ISSUE | SY DIVESTITUR | PITS DIVESTITURES PERIOD AUGUST E MEPLEMITATION CO P.O. BOX C102, CAN |



in Lagos

Nigeria's liquefied natural gas company, NLNG, says it with the NLNG." is discussing a possible sales agreement with Transgas of

enmeshed in a \$10bn contract dispute with Enel, after the Italian state energy com-Nigerian output.

NLNG said that it hoped to deliver up to 500m cu m of gas a year to the Portuguese company. Enagas of Spain. Botas of Turkey and Gaz de France are contracted to take about half the total output. But with the remaining 3.5bn cu m expected to have gone to Enel, the proposed new deal will provide small comfort to NLNG.

The \$4bn NLNG plant is the costliest single construcend of 1999, the plant will

exploit gas reserves from Nigeria's oil fields. The state-owned Nigerian tion has a 49 per cent stake in the plant which is now being built in Bonny in the south-east of the country, with Shell, Elf and Agip holding 51 per cent.

Enel pulled out of a environmentalists for preventing the construction of

minal in Italy. Mr Dan Etete, Nigeria's minister for petroleum resources, returned from talks with Italian government officials and Enel last week claiming to have

COMMODITIES PRICES

uled," Mr Etete insisted. "Enel has not pulled out. They are taking the entire volume of gas they signed

However, no details of the talks between Mr Etete and Enel have been given to the consortium. Mr Theo Oerlemans, outgoing managing director of NLNG, insisted that the contract dispute had pany pulled out of a contract not been settled and that to buy about half of the arbitration proceedings initiated in Switzerland last December would continue.

"We know that Enel are looking for ways to settle this issue, but so far they have produced no specific he said. "At the moment, we have no contract with Enel. And while the signs are more encouraging than three our claim for compensation and damages.'

Privately, NLNG officials tion project in Africa. Due to are angry that the minister's start production of about intervention has raised the 7bn cum of gas a year at the political profile of a dispute they insist is entirely commercial. European diplomats have also expressed surprise at Italy's decision to grant National Petroleum Corpora- Mr Etete a visa, in spite of sanctions designed to prevent all but "indispensable"

However, both Mr Oerlemans and his successor. Mr Steve Ollereanshaw, remain confident that the project -22-year purchasing contract finally approved in 1995, 30 last November, blaming years after its conception will be finished on time.

"We are already one-third the necessary receiving ter- complete and by the end of the year, 50 per cent of the plant will be finished," Mr Oerlemans said.

We have a good product in an expanding market. There is no doubt that we will enter production and LNG by late 1999."

Transgas in Manila extends sugar import ban



Philippines sugar farmers: struggling with a market glut

By Justin Marozzi in Manila

Mr Wilson Gamboa, head of the Philippine Sugar Regulatory Administration, yesterday ordered an extension of the ban on sugar imports until July, amid a financial crisis at the country's principal miller.

He extended the ban to bolster the country's ailing sugar industry, which is struggling to come to terms with a glut in the market. by the sugar sector. There are now 100,000 tonnes of unsold stocks, the SRA said. Of this, more than a quarter is owned by a subsidiary of Victorias Milling, which last week said it was unable to pay its debts of

Mr Gamboa said Victorias, which has been given a 90-day moratorium on principal repayments, would benetonnes imported by its subsidiary which would generate up to 324m pesos.

"Victorias continues to ly-dally on our decision to

release the stock," he said. The SRA said Victorias had incurred costs of at least 100m pesos in holding the sugar for the past 10 months.

Last year, following falling sugar prices, a drop in production and increased costs, Victorias was hit with a loss of 242m pesos. The company's problem was "purely internal", said Mr Gamboa, and was not symptomatic of the difficulties being faced

Some relief is expected to be provided by the 13 per cent increase in the Philippines' sugar quota to the US to 246,000 tonnes, also announced yesterday. The company has seen its

shares plummet by as much as 40 per cent from 5.30 pesos on news of its financial crisis. Yesterday, Victorias shares improved 40 centavos to close at 4.20 pesos.

"There are talks of restructuring the debt and new investors coming in." said one analyst. "But until suffer as we continue to dil- the fog clears, it's certainly

According to one report, only eight of the 32 creditors exposed to Victorias have their loans collateralised or

Mr Lucio Tan, the Chinese-Filipino tycoon, and San Miguel, the food and beverage glant, have been reported as possible rescuers for the company.

The Philippine government, meanwhile, is coming under increasing pressure from leaders of the sugar industry to increase the 100 per cent tariff on sugar imports to 133 per cent, although it is due to be reduced later this year.

In January, the government said it would move to suspend the 35 per cent tariff discount for refined sugar coming from the other six members of the Association of South-East Asian Nations.

Critics accuse the industry, however, of failing to modernise the infrastructure and to install new capital equipment so the Philippines can compete with countries

London has big month

By Kenneth Gooding, Mining Correspondent

February was another remarkable month in the gold market, with deals worth \$14bn cleared every working day in London, the international settlement centre for gold bullion.

The total of 40.3m troy a month of heavy turnover. when 37.2m ounces worth \$13.2bn were cleared daily, according to the London Bullion Market Association,

reflected a lower average gold price in February -\$346.58 an ounce against

Mr Alan Baker, chairman of the LBMA, said the statistics confirmed anecdotal evidence that bullion dealers had become much busier. since the start of the year, when the gold price became more volatile.

"There was a maeistrom in the market in January and February," he said, caused by investment funds attempting to push the gold price down and the upsurge in demand for physical gold been for a decade or two." Mr Baker suggested, how-

ever, that the market, and business. had quietened down in March. The association decided

only recently to collect and publish London gold market data so it does not have figures for February last ye that would have provided a

The daily average volume of silver fell from 294.4m onnees in January to 275m ounces last month but as the average silver price was higher, the value of turnover was unchanged at \$1.4bn.

Zinc prices on LME touch 4½-year peak

MARKETS REPORT

Zinc prices moved to their highest in 41/2 years on the London Metal Exchange in early trading yesterday.

The price of zinc for imme-

diate delivery has risen by

20 per cent since the end of

December as sentiment has turned increasingly bullish. Mr Jim Lennon, analyst at Macquarie, the Australian banking group, suggests the zinc market will be undersupplied this year and that stocks are likely to fall to critical levels in the summer. Macquarie is forecast-

ing an average cash zinc

1997 and \$1,435 in 1998.

The premium for copper for immediate delivery eased yesterday after Southern Peru Copper, Peru's biggest producer, said its operations were back to normal, SPCC shut down for a week after flooding damaged rail and road links at its facilities. It said it would lose about 1.815 tonnes of production.

Soyabean prices on the Chicago Board of Trade fell back slightly yesterday morning after a turbulent day on Tuesday when prices hit life-of-contract highs.

The US Department of Agriculture in a report on Tuesday trimmed its estimate of US soyabean exports, increasing Brazil's share, and soyabean prices a week earlier.

lower as reports of Chinese exports trickled into the market. China was a net maize importer in the last marketing year, but USDA said the Asian giant would export at least 1m metric

Oil rallied in spite of bearish US inventory data. Brent Blend for April delivery, the international benchmark. was \$19.39 a barrel in late London trading, up 15 cents on Tuesday's close.

Prices had dipped below \$19 earlier when American Petroleum Institute data showed US crude oil supplies had risen to more than 304m barrels, compared with 297m

-3 1004 992 202 1,110 -4 1022 993 4,843 32,309 +2 1023 1002 1,828 14,542

-37 1380 1950 89 83 -37 1438 141018,223 30,118 -33 1451 1430 6,004 19,059 -33 1479 1450 1,247 11,873 -33 1503 1476 635 7,458 -36 1522 1505 398 17,558

-31 1778 1751 101 2,076 -30 1765 1728 2,539 25,421

1732 -36 1765 1730 1,150 10,592 1762 -23 1753 1725 871 4,552 1897 -23 1717 1700 53 2,381 1678 -22 1899 1880 78 528

167:90 -5:20 174:00 167:10 932 4,773 182:85 -3:35 187:50 152:00 383 3,281 145:00 -1:25 147:00 144:00 52 749 12:081 49:488

304.7 -2.1 307.2 304.7 1,129 14.423 303.8 -1.4 305.9 303.9 185 4,499 300.5 -0.5 301.7 300.3 85 3,060 300.4 -0.3 301.2 300.4 31 881 301.3 -0.7 302.2 301.0 124 534 289.9 -1.1 - 159 1,585 23.586

10.77 -0.15 10.88 10.75 7,162 74,080 10.55 -0.10 10.67 10.54 2,853 34,851 10.50 -0.07 10.59 10.49 2,099 25,363 10.50 -0.06 10.56 10.50 911 11,785 10.51 -0.04 10.55 10.50 288 1,963 10.51 -0.04 10.55 10.52 382 1,010

III SUGAR '11' CSCE (112,000lbs; cents/lbs)

COTTON NYCE (50,000lbs; cents/lbs)

COFFEE 'C' CSCE (\$7.500fbs; cents/fbs) 215.65 -3.35 221.00 215.00 203 1,003 196.10 -7.05 205.50 195.00 8,516 22,620 181.20 -5.15 188.00 190.00 1,963 7,885

WHITE SUGAR LIFFE (S/torine)

India may lift cotton exports

The Indian government is considering increasing cotton export quotas in an attempt to lift prices. So far 1.22m 170kg bales of

cotton have been released for export in 1996-97. With domestic demand weak, the government is likely to allow further exports of up to 500,000 bales.

Trade sources say local prices are between 10 per cent and 15 per cent lower than in the previous season as textile mills, which are facing a liquidity crisis, are building stocks very slowly. Several farmers' organisations have warned that there

will be a change of land use

from cotton to other crops if

prices do not improve.

68.825 +0.125 69.700 68.560 9.115 39.548 64.975 -0.175 65.350 64.600 4.916 24.229 63.575 -0.025 63.900 63.250 1,672 29.073 66.900 -- 0.200 67.375 66.750 751

69.075 -0.100 89.475 88.700 5,328 11,896 76.300 +0.075 78.500 75.850 4,078 10,892 74.975 +0.300 75.050 74.450 632 2,739 71,875 +0.200 75.050 71,450 632 2,739 71,875 +0.200 75.050 71,450 377 2,382 65.950 +0.200 65.950 65.500 163 1,432

MEAT AND LIVESTOCK

III LEAN HOGS CME (40,000lbs; cents/lbs)

63,950 +0.150 64,150 63,800 124

IF PORK BELLIES CME (40,000lbs; cents/lbs)

LONDON TRADED OPTIONS

Strike price \$ tonne - Calls - - Puts --

LONDON SPOT MARKETS

NATURAL GAS (Pence/themi)

A OTHER

Gold (per troy oz)# Silver (per troy oz)#

Lead (US prod.)

Cattle (live weight) Sheep (live weight) Pigs (live weight)†

Lon. day sugar (raw) Lon. day sugar (wta) Barley (Eng. feed) Maize (US NoS Yallow)

\$168-170 \$20-81

\$193-198 \$190-192

\$179-181

\$380.50

121.0c

14,36r 278,50

98.36p 150.85p 83.99p

\$273.30

00.4013

79.75p 306.0x

750.0y 550.0

70.550 +3.000 70.550 70.300

1800

1700 ... 1750 ... 1800 ...

250-

end. Besides this season's quota, 430,000 bales are left over from last year. Also the monsoon begin-

It will, however, not be

easy to export so much cot-

ton by the September year-

ning in June will slow port The Textile Commissioner's office has set up a spe-

cial body to expedite cotton exports. Last year India exported 800,000 bales. An export official explained that India had lost custom abroad because of

export policy of the past. For example, Japan, which used to buy large quantities of coarse cotton from us, is now mainly sourcing it from other countries." he said.

the highly restrictive cotton

"The team is a mirror that reflects its leader."

CROSSWORD No.9,323 Set by ADAMANT

 Afraid to show affection during second day (6)
 Would the old duke allow it to be thrown down? (8) 8 Sound pleased about the stock exchange steward (6)

12 Lives round the university

10 Having saved, can organise

seeing paintings (4) it clear anyway (7) 21 Hit back at cross economist

25 Troubled peacekeepers taking ecstasy, say it's non-26 Normal seating on a thor- 24 Makes noises, being retired oughfare (8) (8)
28 Be a tutor, developing a 27 Against bringing up the

musical instrument (8)
29 The strengths of spirit for the early draughts, we hear 30 Lord of impressive island

31 An indication of pressure is nothing to lawyers (6) DOWN Higher stretch of water (8)

arrangement of spray cans 3 Finishes accepting Middle Eastern changes (6)

6 Die out, but first gets close 7 Left current opener to be an attendant (6) 8 It comes up with sensible healthy drink (6) healthy drink (6) 11 An advantage of making fine mess in wager (7) 14 To sail away to the orient

could leave someone on their own (7) on lest overs (8)

13 Tea's brewed with main service being at the back (6)

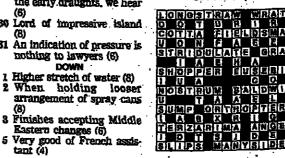
15 The leaders of Italy love 18 Tom and Bill have no doc-

tor in underground refuge 16 A patient manner (7)
20 The definite answer? Makes
19 Neat one dries out for rust-

proofing agent (8)
22 Fasten casual shirt on first. however (6) 28 You and I have chest complaint, old boy, and a stroke, maybe (3.3)

age of the star (4)

Solution 9,322



BASE METALS LONDON METAL EXCHANGE (Prices from Amalgamated Metal Trading) ALUMINIUM, 99.7 PURITY (\$ per torne)

| | | per imilel |
|--|----------------------|---------------------|
| | Cash | aritim \$ |
| Close | 1636-37 | 1667.5-68 |
| Previous | 1641-2 | 1672.5-9.0 |
| High/low | 1646 | 1684/1864 |
| AM Official | 1645-45.5 | 1675-75.5 |
| | 1043-45.3 | |
| Karb close | | 1665-66 |
| Open int. | 270,345 | |
| Total daily turnover | 48,858 | |
| a aluminium al | LOY (Si per to | nne) |
| | | |
| Close | 1522-23 | 1545-50 |
| Previous | 1530-40 | 1550-60 |
| High/low | | 1550/1500 |
| AM Official | 1523-28 | 1548-50 |
| Kerb close | | 1545-50 |
| Open int. | 6,324 | |
| Total daily turnover | 6.324 | |
| E LEAD (\$ per ton | | |
| | 100 | |
| Close | 687-9 | 687-9 |
| Previous | 667-8 | 671-1.5 |
| High/low | 691 | 694/674 |
| AM Official | 691-2 | 692-2.5 |
| Kerb close | | 692-3 |
| Open Int. | 39.570 | |
| Total daily turnover | 10.811 | |
| | | |
| MICKEL (\$ per t | onnej | |
| Close | 7945-55 | 8050-60 |
| Previous | 7875-85 | 7980-90 |
| High/low | 7920 | B120/8010 |
| AM Official | 7920-25 | 8025-30 |
| Kerb close | | 8070-80 |
| Open int. | 51.699 | |
| Total daily turnover | 13,853 | |
| • | - | |
| TN (\$ per tonne | <u>'</u> | |
| Close | 5985-95 | 5995-6005 |
| Previous | 5960-70 | 5970-75 |
| High/low | | 6060/5980 |
| AM Official | 8005-15 | 8010-15 |
| Kerb close | | 6030-40 |
| Open Int. | 16,871 | |
| Total daily turnover | 9,721 | |
| ■ ZINC, special h | - | er tonnel |
| | | |
| Close | 1245-48 | 1266-67 |
| Previous | 1237,5-8.5 | 1253-4 |
| High/fow | | 1280/1262 |
| AM Official | 124 9- 50 | 1269-69 |
| Kerb close | | 1274-75 |
| Open Int. | 67,483 | |
| Total daily turnover | 31,175 | |
| E COPPER, grade | A (\$ per tonn | e) |
| | | 2340-41 |
| Close | 2387-88 | |
| Previous | 2409-12 | 2346-7 2369/2322 |
| | | |
| High/low | 2402/2401 | |
| High/low AM Official | 2402/2401 2402-03 | 2350-51 |
| High/low AM Official Kerb close | 2402-03 | |
| High/low AM Official Kerb close Open int. | 2402-03 142,473 | 2350-51 |
| High/low AM Official Kerb close | 2402-03 | 2350-51 |

IN HIGH GRADE COPPER (COMEX) 11220 -2.90 115.10 111.90 1,323 7,070 110.65 -2.20 111.60 110.10 555 3,719 108.85 -1.80 110.95 108.10 7.481 24,146 107.25 -1.50 107.40 106.80 7 890 105.75 -1.80 107.80 105.00 517 7,684

IL LIME AM Official \$/\$ rate: 1.5907

LME Closing E/S rate: 1.5940

Sport: 1,5928 3 malles, 1,5904 6 milles: 1,5882 9 milles: 1,5863

PRECIOUS METALS TO LONDON BUILLION MARKET

Gold(Tray oz) \$ price £ equiv SFr equiv Clare 352.70-353.20 354.20-354,50 353,15 221,90 520,54 351,40 220,59 516,56 364,20,354,50 351.40-351.70

_____4.15 12 months ______4.07

p/troy cz. 328.30 332.85 3 months 6 months 337.40 346.75 535.65 548.15 Gold Coim £ equiv, 222-225

Precious Metals continued ■ GOLD COMEX (100 Tray az.; \$/tray az.)

| | price | change | | low | Yol | let. | |
|------------|--------|----------------|------------------|-------------|----------|---------------|-----|
| Mer | 352.8 | _ | _ | | | | |
| kor | 353.2 | | | | | 64.330 | ī |
| 300 | 355.6 | -1.7 | 357.3 | 354.4 | 1.588 | 28,418 | |
| App | 358.0 | -1.6 | 359.5 | 357.9 | 376 | 10,309 | 5 |
| 0et | 360.4 | -1.6 | 361.7 | 359.7 | 8 | 5,947 | |
| Dec | 363.0 | -1.6 | 364.0 | 382.4 | 686 | 21,270 | J |
| Total | | | | | 40,366 | 170,832 | 1 |
| E PL | ATENUM | NYME | X (50 | Troy oz | .; S/tro | y OZ.) | |
| Aex | 384.1 | -25 | 389.5 | 382.5 | 277K | 17,975 | ī |
| , iii | | -27 | | | | | 1 |
| Oct | 388.5 | | | 387.0 | | | j |
| Jan | 390.6 | | | - | 4 | | |
| Tetal | | | | | 3,248 | 24,752 | |
| E PA | LLADIU | M NYM | EX (100 | Troy o | z: S/In | OV OZJ | • |
| | | | _ | | | <u></u> | . 1 |
| | 152.55 | | | | | | 1 |
| Jes Seo | 154.40 | | | | | | î |
| Dec Seb | | -6.85 -6.85 | | 126.00 | 211 7 | 188 | ì |
| Total | 130.70 | -0.03 | _ | - | | 11.141 | - 3 |
| | VER CO | ACV (E | | | | | • |
| 36 | TEN W | MEX 63 | 110 | 702,0 | 315/10 | 1027 | ā |
| Mar. | | -5.5 | | | | 751 | ī |
| Hay | 522.6 | | | 521.0 | | | 7 |
| Jel | | -5.7 | | | | | |
| Sep | | -5.7 | | | | 3,338 | - |
| Dec | | -5.7 | | | - | 5,288 | |
| Jan . | 543.3 | -5.7 | - | - | | 14 | 1 |
| Total | | | | | 11,007 | 99,819 | S |
| | | | | | | | j |
| | | | | | | | ř |
| ENIE | EDC) | , | | | | | i |
| | ERGY | | | | | | - |
| M CR | UDE OF | L NYM | EX (<u>1</u> .0 | 00 ban | rels. S/ | barrel) | 1 |
| | اسواما | Day's | | | | Open | |
| | | | | _ | | | J |

20.85 +0.35 20.80 20.07 18.194 52.205 19.50 +0.36 19.56 18.50 27.05 28.514 19.41 +0.31 19.50 18.63 25.154 72.195 19.34 +0.35 18.36 18.51 4.571 22.955 19.29 +0.30 18.34 18.51 753 12.165 19.27 +0.28 19.30 18.50 175 62.90 18.24 +0.25 - 6,415

163.25 - 165.25 164.00 6,282 8,375 167.50 +2,25 168.50 164.00 10,149 26,190 168.50 +2.00 168.50 165.25 1,586 6,103 178.00 +1.50 171.00 167.00 1,413 8,579 171.25 +1.50 170.25 168.50 538 3,807 172.75 +1.50 171.75 170.50 107 1,648

M NATURAL GAS KYMEX (10,000 mmBill; SymmBill) 1.955 +0.035 2.010 1.910 15,196 31,442 2.020 +0.017 2.060 1.990 6,386 24,488 2.040 +0.015 2.065 2.012 2.518 11,883 2.055 +0.015 2.070 2.045 1,196 11,163 2.055 +0.015 2.080 2.050 733 9,049 2.055 +0.010 2.075 2.050 630 8.035

NYMEX (42,000 US galls.; crus galls.) 64.85 +0.99 65.25 63.40 11,080 31,274 94.70 +0.88 65.00 63.30 6.362 24.275 84.05 +1.03 64.20 62.80 1.445 14.757 63.00 +1.88 63.25 62.10 822 8.882 81.75 +1.33 91.75 80.60 80.00 +1.08 59.40 59.10

GRAINS AND OIL SEEDS WHEAT LIFFE (E per tonne)

96.80 +0.95 96.50 96.35 98.90 +1.05 99.00 98.25 101.25 +1.10 101.25 100.40 MAZZE CBT (5,000 bu mirr, cents/56lb bushel)

COCOA (ICCO) (SDR's/tonne) 294.50 -11.25 305.75 203.75 50.093163.948 293.50 -11,25 304.75 292.75 15,252109,494 282.50 -7,75 289.50 282.00 1,307 15,583 265.50 -7.50 291.75 265.00 423 6,645

ur 822.50 -29.25 854.00 819.50 1.940 3.941 821.50 -27.00 850.50 825.00 55.508 89,059 831.50 -26.50 850.20 828.00 20,523 55,550 822.50 -26.50 851.25 822.00 2,360 7,753 768.50 -19.75 791.50 768.00 1,221 4,721 722.50 -13.00 740.00 719.00 7,576 29,826

W SOYABEAN OIL CET (60,000lbs: cents/fb) 24.97 -0.87 25.75 24.95 5,229 4,390 25.34 -0.83 26.17 25.18 18,706 57,239 25.76 -0.78 26.60 25.60 5,008 80,263 25.85 -0.80 26.00 25.78 787 5,289 25.97 -0.76 26.55 25.80 188 3,300 26.10 -0.75 26.60 26.10 338 2,982 26.10 -0.75 26.60 26.10 388 1,2468 26.60 114.148 29,426 114,148 SOYABEAN MEAL CRT (100 tons; \$/ton) 267.5 -9.6 277.A 267.0 4,002 5,477 296.0 -7.8 276.0 265.0 16,152 49,134 283.6 -7.2 272.5 283.0 8.289 28.049 287.3 -6.7 284.5 257.0 2,825 8,127 243.5 -5.9 250.6 243.2 764 5,265 225.5 -3.5 230.4 224.5 305 4,019

Jun 69.0 +1.0 - 2 May
Near 99.0 +1.0 - 2 May
Near 99.0 +1.0 - 2 Jul
Apr 108.5 +2.5 109.0 106.0 47 684 Get
Total 117 1,753 Dec,
TOTAL 128.0 +20 1555 1915 48 491 Tebal

Nizts and seeds
Prices from Kentor, USS a tonne, transam
pistachios 28/30 raw (in-chell) naturally
opened (round): REPC new crop prices up.
4,000 CFR; long type acid out. Welsuts
US in-chelt 2,700 FCA Spair; Bast Europe.
UHP mbc 4,500 CFT Europe. Translats
hazelauts standard No 1: very unstable,
4,800 CFR. Settanes Turists and Iraniar;
1,100 CFR MEP, Indian couleway raw
W-320: 5,600 CFR MEP first; spot goods
5,700 FCA Rotterden; new crop shapment
from April W320 5,550. US pecara fency
junior marmoth halves: firm 6,300 FOB,
few goods available. US atmonds: crop
1996: 30/40 SSR 6,590 FAS, spot market
sold out, crop 1997 23/25 SSR 4,500 CFR
MEP unstable. Coconut: CFR 1,360 for top
Philippine goods, down; spot 1,500. Pine
fearmasts: Chinese up, 17,500; Pakistan
down, 10,200.

76.15 -1.50 77.35 76.0010,470 38,107
77.13 -1.26 78.10 77.00 5,081 15,991
77.45 -0.75 77.75 77.40 316 1,557
77.50 -0.75 78.16 77.40 3,789 20,885
78.30 -0.70 78.00 78.00 332 1,557
78.72 -0.65 -2 2,488 20,057 78,362 ■ ORANGE JUICE NYCE (15,0000s; certs/fbs)

INDICES

Open tracest end Volume data shown for contracts traded on COMEX, NYMEX, CST, NYCE, CME, CSCE and IFE Crude Oil and one day in arrears. Volume 8, Open Interest totals are for all traded months.

Mar 12 Mer 11 month ago year ago 2018.5 2012.4 1960.0 2135.6 E CRB Fetures (Base: 1967 = 100) ■ GSCI Spot (Bese: 1970 = 100)

Rubber (Apr)♥ Rubber (May)♥ Rubber (KL RSS No1) Coconut Oil (Philips Copra (Philis Soyabeans (US) Cotton Outlook'A' andex

6-31941-v

A 19 70

🥦 🥹 yan *** Fac Land W 22 Part last = Market State of State

M Device dans Mark to a

Park of the second Maria San Land

Markey **4** 40----. . . .

ijang Ta

6.00

6.00 5.00

Banciaya Bank 5.00
Brit Skol Mid East 5.00
Cabank NA 6.00
Cydesdab Bank 6.00
The Co-operative Benk 6.00
The Co-operative Benk 6.00
Although Bank 6.00
Curris A Co

eHid Samuel C. Hoare & Co

6.00

6.00 6.00 6.00

Yorkshire Bank

Members of London

* in administration

Bank of India

Barrik of Sportland

Backeya Bank Brit Ekol Mid East

Count & Co 6.00 Cyprus Popular Bank 6.00

Davies "misquote" hits sterling

MARKETS REPORT

Davies, deputy governor of the Bank of England, even though his main reported comment was later said to have been a misquote. Mr Davies was quoted yesterday morning in Tokyo as having said that the pound was too strong against the D-Mark, Later, the UK

embassy in Tokyo told Reuters that this was just his gauge of the market's view. The pound also suffered on Mr Davies' comment that the UK was likely to hit the government's inflation target of 2.5 per cent during this year. Mr Davies said that the Bank of England would like UK base rates to be 25 basis points above their present level of 6 per cent. This failed to buoy the pound, but caused the money markets to revise

POUND SPOT FORWARD AGAI

Americas Argentina (Pesc) 1.5927 -0.0122 922 - 932 Brazil (PS) 1.5792 -0.0119 785 - 799 Camada (CS) 2.1737 -0.0195 726 -748 Mexico (New Pesc) 12.6747 -0.1436 667 - 827 USA (S) 1.5930 -0.0122 925 - 935

(AS) 2.0042 -0.0212 029 - 054 (PHAS) 12.3354 -0.0637 307 - 407 (Pm) 57,0884 -0.45 465 - 302 (SNO 5.3831 -0.0417 565 - 696

upwards their expectations market fundamentals," he remarks from Mr Howard of just over 7 per cent.

Weak UK manufacturing DM1.70 to trade at DM1.697. figures also damaged the Both the US and German in London at DM2.710, and has now dropped 6 pfennigs \$1.593 and holding below the key \$1.60 level all day.

Tietmeyer, president of the Bundesbank, again said the dollar's rise against the German currency was over. "We do not want to see a correction that goes beyond the

--- Latest ---1.5985 1.5977 1.5990 1.5900 -- Prev. close --1.6075 1.6056 1.6050 1.6995

(Sch) 19.0741 -0.1934 635 - 847 19.3455 19.0305 19.0306 2.7 (SF) 55.9143 -0.5727 649 - 837 56.709 55.5820 55.7893 2.7 (DN) 10.3447 -0.0947 586 - 495 10.4798 10.3378 10.3227 2.8 (FM) 8.0801 -0.0748 905 - 076 8.2300 8.0905 - - - (FF) 9.1456 -0.0839 418 - 489 9.2890 9.1413 9.1235 2.9 (DM) 2.7103 -0.0274 088 - 117 2.7493 2.7088 2.7087 2.9 (DM) 425.222 -3.979 847 - 658 422.207 424.636 - - (C) 1.0244 -0.0045 234 - 254 1.0302 1.0234 1.0241 0.4 (L) 2702.55 -22.43 123 - 385 2733.71 2899.15 2705.96 -1.5 (FF) 3.0507 -0.0311 493 - 520 8.0941 3.0493 3.0426 3.2 (NO) 10.8375 -0.1033 325 - 425 11.0083 10.8256 10.813 2.7 (FM) 229.878 -2.475 766 - 990 222.980 229.766 230.011 -0.7

 228,878
 -2,475
 786
 -990
 232,980
 223,765
 230,011
 -0.7
 229,878

 12,2367
 -0,0184
 289
 -485
 12,3832
 12,2014
 12,2177
 1,9
 12,1782

 2,3354
 -0,0318
 336
 -369
 2,3743
 2,3388
 2,3266
 4,5
 2,3067

1.6954 2.2005 12.8325

of future rate levels. The said "We are interested in a short sterling futures con- stable D-Mark." The dollar tract for June 1998 dipped 7 dropped 0.4 pfennigs in Lon-Sterling nosedived on points to price in base rates don to DM1.701, and in US hours fell through support at

pound. It lost 2.7 pfennigs currencles rose against the against the D-Mark to close yen, the dollar by Y0.8 to Y122.7 and the D-Mark by Y0.63 to Y72.10. The yen's since last Thursday. It hit fall surprised some in the five-month lows against the market, as Mr Hiroshi Mitsudollar, sliding 1.2 cents to zuka, Japan's finance minister, had said that a drop below Y125 against the dol-The dollar slipped against lar could provoke trade fricthe D-Mark after Mr Hans tions with the US.

> America in London, said the Y125 was a target as well as a potential cap for the dollar. Mr Robin Marshall, head of that the yen may be suffertors seem to have stopped

> > 2.5 54.2043 3.1 2.5 10.0692 2.7 2.9 8.8827 3.1

0.0 228.403 0.6 1.9 11.9822 2.1 4.6- 2.2245 4.7

103.7 106.0 83.5 106.6 105.4 66.6 102.4 75.9 103.7 103.3 102.8 94.8 77.9 84.1

85.9

2.7 18,9741 2.7 55,5298 2.6 10,2792

-0,6 272.271

2.0501 2.0000 2.0041 0.1 2.0083 0.2

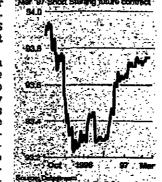
9.0798 2.6902

-1.5 2710.81 -1.2 2713.61

55.5293 2.8 54.2043 3.1 3.0268 3.1 2.9513 3.3 10.7645 2.7 10.539 2.8 272.271 -0.8

19.0306

Expected UK base rate get deficit.



Mr Jeremy Hawkins, chief their financial year-ends. economist at the Bank of The end of repatriation could help explain the Ausmarket had decided that tralian dollar's recent rise, he said.

■ The Swedish krona, under European economic research pressure for a while, fell at Chase in London, added from SKr4.476 to SKr4.517 against the D-Mark on tame Swedish inflation data for February. There is market repatriating profits ahead of concern about Sweden's bud-

11.9737 -0.0295 708 - 786
35.1000 -0.09 800 - 200
6.4838 -0.0097 928 - 948
5.0842 -0.0097 804 - 879
5.7411 -0.0087 402 - 420
1.7014 -0.0041 010 - 017
286,950 -0.052 541 - 561
1.696,23 -1.07 825 - 680
35.1000 -0.09 800 - 200
1.9151 -0.0048 148 - 153
6.8032 -0.0126 022 - 042
170.850 -0.05 600 - 700
144.305 -0.445 280 - 330
7.8818 +0.047 778 - 853
1.4860 -0.0087 655 - 865
1.5830 -0.012 925 - 885
1.1413 +0.0011 410 - 415
0.72550

- 998 - 998 +0.0006 540 - 542 -0.0017 643 - 648 -0.029 540 - 580

-0.0037 577 - 585

7.7435 +0.0005 430 - 440 35.8370 -0.006 220 - 520 3.3867 -0.0004 636 - 697

CURRENCIES AND MONEY

will be delayed. France and the market would have

the euro is really in trouble."

Emu will proceed on time because "there's very little that's gained by delay. You're only giving the mar-

start in 1999 as planned. That had little effect on rency strategist at JP Mo trading. To quote Mr Steven gan in London, pointed of Englander, international that the markets believe economist at Smith Barney Emu will go ahead. His Em in Paris: "If you don't get calculator shows that the some enthusiasm for Emu interest rate swaps mark out of the governments of still thinks it is 100 per ce France and Germany, then certain that a core of nation Mr Englander believes France will join Emu.

Mar 12 S S Casch Rp 46-2701 - 48.3459 29.0550 - 29.0850 Rhoppay 251.558 - 281.795 176.793 - 1718.940 Rangary 261.558 - 0.4871.50 3000.00 - 3000.00 Kirsuk 0.4836 - 0.4841 8.3037 - 0.3038 0.4836 - 0.4841 8.3037 - 0.3038 Russik 9070.88 - 9079.76 5698.00 - 5598.00 GLAE 18445 - 5.8545 3.6700 - 3.6749

12.0495 35.3150 6.5271

35.3150 1.9275 6,9545 171.580

145,100 7,7130 1,4788 1,6095 1,1425

0.9998 1.0542 1.9685 7.9620

1.2587

7.7440 7.7430 35.8520 35.8220 3.3897 3.3836

35.0670 6.4880 5.0600

5.1984 5.0800 5.0754 5.7706 5.7352 5.7304 1.7121 1.6989 1.6982 289.240 288.330 289.505 1.5546 1.5474 1.5546 1702.80 1694.37 1699.53 35.3150 35.0670 35.04 1.8275 1.9131 1.9113 6.9545 6.7845 6.7895

170,800 144,220 7,6620 1,4640 1,5889 1,1348

0.9998 1.0538 1.3631 7.9520

6.7995 170.78 144.395 7.8788

1,4812 1,5921 1,1424

1,2737 1,2588 -0.7

ket a chance to put pressu Few currency strategists as the lira and the peseta believe market talk that that have been reasonab European monetary union solid." After a delay, he sai Germany, at their summit confidence that any ne yesterday, said Emu would Emu timetable would hold

Mr Avinash Persaud, cu including Germany an

However, the calculat shows that the mark thinks the chances of Ital joining have slimme This belief has been reflecte in the fall in Italian bond The lira, however, has he steady. Mr Persaud believ that it too will fall when It: ian investors adopt the inte national view that Italy wi miss the start of Emu.

2.1 34.3725 1,7 6.3848 2.2 4.9742

34.9125 6.4665 5.0567

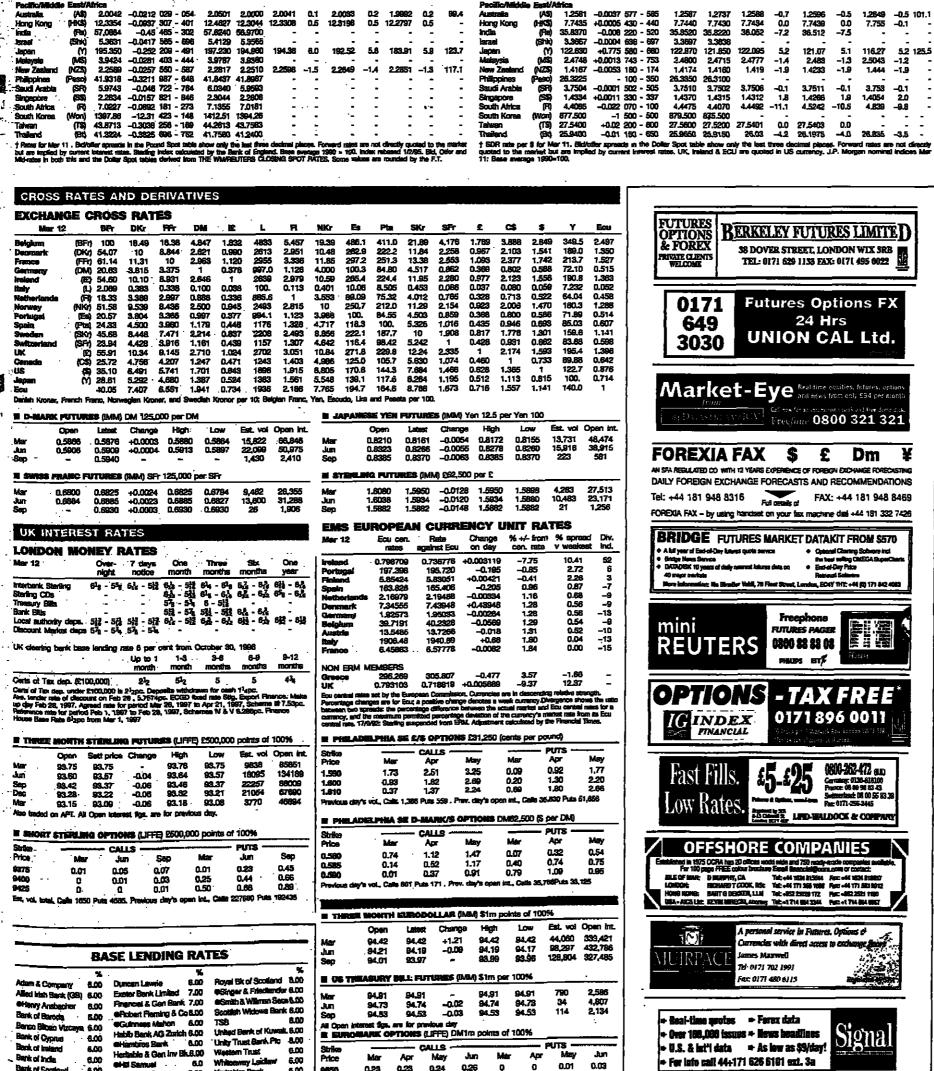
2.1 5.0567 2.2 5.7094 2.3 1.8917 -7.0 271.075 0.3 1.5541 -2.1 1704.38 2.1 34.9125 2.4 1.9033 -0.8 170.93 -0.8 144.515 0.7 7.869 3.9 1.4518 0.7 1.5903 -1.2 1.145

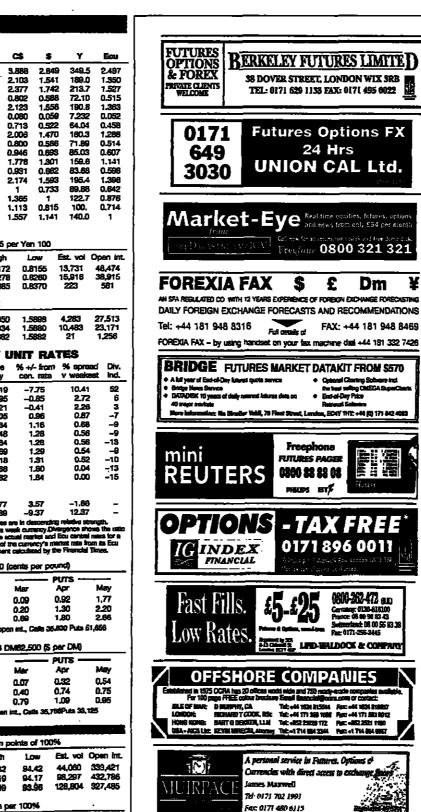
7.7494 0.0 7.7439 0.0 36.052 -7.2 36.512 -7.5

| | March 12 | | Over night | One month | The | | Š¢x mtrs | One year | Lomb. inter. | Dis. rate | Repo |
|------------|------------------------------|---------------------|--------------------|-------------------------|----------------|--|--------------------|--------------------------------|---------------------------|--------------------|------------------------------|
| | Beigkun | | 31, | 32 | | 33 | 35: | 3% | 6.00 | 2.50 | |
| ıre | France | | 314 | 3.4 | 3 | Į, | 3% | 35 | 3.10 | - | 4.75 |
| ch | Germany | | 3 ₁ . | 34 | - | 4 | 3 | 311 | 4.50 | 2.50 | 3.00 6.25 |
| i ~ | italy | | 7 <u>6</u> | 5)) 7% | | | 写 | 52 74 | 8.25 | 6.75 | تين 2.35 |
| oly | Notherlands | | 3. | 315 | | ž | 314 | 33 | - | 3.00 | 3.30 |
| id. | Switzerland | | 2 | 12 | 1 | 2 | 12 | 13 | - | 1 00 | - |
| 100 | US | | 52 2 | 54 | 5 | <u>ان</u> | 57 | 65 | - | 5.00 0.50 | - |
| ew mo | Japan | | | <u> </u> | | <u>12</u> | <u>.</u> | - 3 | | U-50 | |
| L L | E \$ LIBOR Interbank F | - | an _ | 5 _{ir} | | | | | | | |
| m- m- | US Dotter C | | _ | 5,18 | 5.5 | <u>ا</u> اع | 50 35 | მ <u>ა</u> 5.61 | - | - | _ |
| | ECU Linked | | - | 42 | | | 4, | | - | - | - |
| or- out | SDR Linked | | - | 35 | _ | ¥. | 3. | 4½ 33 | - | - | - |
| 7e | \$ UBOR Into | erbenia fibi | ng raik | S Are | offered | म्ब्रह्म | for 1 | ion que | ed to the | manu | nt by k |
| nu | / Wittenbishi, Br | eckys an | i Natio | nai We | بواغاتاه | . | | | | | |
| he | Mid rates are | | | | | | | | | i Depus | |
| set | EURO (| CURR | ENC | Y 11 | ITE | RE\$ | T I | RATES | • | | |
| Ωt | Mar 12 | | nort | 7 da | | One | | Three | Spe | | One |
| ns | i | te | m | not | Ċe | mont | <u></u> | months | mont | hs | year |
| nd | Belglan Fran | | - 3 | 3,4 - | 315 | 35 | | 314 - 314 | 3 j g - : | 3 ¹ 2 3 | 15 - 31 |
| | Densh Kron German Mar | • 3% • 3% | - 3½ - 3½ | 꺯- | | 3½ : 3 <u>3</u> | | 311 - 314 | 33 - | 3 2 3 | () - 34 13 - 34 |
| or | Dutch Guilde | | - 3, | 32 | | 35. | | 34.3 | 3/6 - : 3 <u>2</u> - : | 316 3 31 3 |) - 3년 - 3년 |
| et | French Franc | : 34 | - 31 ₈ | 352 - | 3,3 | 3,2 - : | 37, | 33 - 33 | 3.7 - : | 34) 3 | رو - <u>اور</u> |
| цy | Portuguese Spanish Pee | ESC. 6/6 ata 427 | - 6 ₁ . | 해 · 됏 - | 58Z | 6 ₁₆ - (57 ₈ - (| | 64 - 63 513 - 63 | 6 ₁₆ - | 6 6 | . 5 |
| ed | Sterling | 6 - | 5% | 6 - 5 | 512 | 612 - | 6 | 64 64 | 6,4 - | 64 E | ર્કે - 5ફે જે - 6ફે |
| αŁ | Swes Franc | | - 1 <u>%</u> | 21. · 31. · 51. · | 112 | 2 ₁₆ - 3 ₁₂ - : | | 11 - 11 34 - 34 | 112 - | 111 1 |)2 - 1))2 - 3) |
| ed | Canadian Do US Dollar | يئود تعدد دادة | - 27 - 53 | 54 | 5% | 3 <u>12</u> - 1 | 3. | 516 - 516 516 - 516 | 3 <u>13</u> - 3 | 355 J 518 5 | 14 - 31 15 - 57 |
| 4d. 설명. | italian Lire | 713 | - 6 | 733 - | 7& | 713 - 7 | 73 | 7-9 - 7.2 | 74 - 7 | 7. 2. | 3 - 74 |
| 'es | Japanese Ye Asian \$\$ing | | . 1 ₂ | <u>}</u> 7. 31. | | 44 | | 13 - 15 4 - 31 ₂ | 1 ₂ 4 3 | 1. 2 | ii - ii 4 - 3i |
| al- | Short term ra | tes are ca | a for th | 10 US (| Dollar a | and Yer | L oth | enschensis | avs' none | - | - 34 |
| er- | S THREE | HOHTH | PEO | R FU1 | URE | MAT | IF)Pa | ns Interba | nk offere | d rate | |
| ill | ł | Open | _ | price (| Chang | e F | ligh | Low | | | ipen in |
| | Mar | 96.63 | 96.1 96.1 | | - -0.02 | | 6.64 | 96.62 | | | 39,365 |
| | Sep | 95.54 96.47 | 96.4 | | -0.02 | | 6.55 6.47 | 96.53 96.43 | | | 67,910 43,265 |
| | THREE | | EURC | MARK | K FU | | | | | | |
| | | Open | | rice (| | | | | | | |
| | Mar | 96.72 | 96.7 | | +0,01 | | ilgh 3,74 | Low 96.72 | 137. 891 | | ipon in 164315 |
| ex | Jun | 96.72 | 96.7 | | +0.01 | | i.73 | 96.71 | 175 | | 195343 |
| 3.4 | Sep | 96.61 | 96.6 | | +0.01 | | .63 | 96.58 | 193 | 97 | 174271 |
| 3.5 | Dec E ONE MO | 96.42 | 96.4 | | +0.02 | | 146 1666 | 96.40 | 176 | | 1 88 425 |
| 52 | | | _ | | _ | | _ | | | | |
| 2.7 6.0 | Mar | Open 96.70 | 96.7 | rice (| -0.01 | | ligh .70 | Low 96 70 | ادة. 1 | | ipen er 18815 |
| 4.7 | Apr | - | 96.7 | | -0.01 | 90 | | 90 / 0 | ò | | 4367 |
| 6.3 | May | 96.78 | 96.7 | | • | 96 | .78 | 96.78 | 1 | | 3998 |
| 5.6 | Jun Three | - | 96.7 | _ | - - | 100- | - 4 1656 | - | 0 | | 510 |
| 3.5 | | | | | | _ | _ | | | | |
| 2.9 1.8 | Mar | - | Sett p 92.6 | | neng- 0.07- | | ligh | Low | | | per in |
| 5.2 | Jun | 92.67 93.05 | 92.9 | | -0.07 | | .66 | 92.59 92.93 | 111 293 | | 61685 105352 |
| 7.5 | Sep | 93.26 | 93.1 | - | -0.13 | | .27 | 93.13 | 137 | | 49434 |
| 4.3 2.4 | Dec | 93.33 | 93.2 | | -0.15 | | .35 | 93.22 | 603 | | 34546 |
| 7.3 | N THREE U | | 10 SW | 165 FA | ANCI | | es (L | JFFE) SFr1 | n points (| 100% | |
| - i | | Open | Sett p | | hang | e H | igh | Low | Est | val O | pen in |
| • | Mer | 98.08 | 98.0 | | -0.02 | | 106 | 98.D1 | 355 | | 28173 |
| - | Jun Sep | 98.09 98.04 | 98.1 98.0 | - | +0.01 +0.02 | | L12 L 09 | 98.04 98.00 | 132 368 | | 41073 20794 |
| -: | Dec | 97.93 | 97.9 | | +0.03 | | .98 | 97.88 | | | 14486 |
| 5.5 | R THREE | HONTH | FURO | YEN | FUTU | RES (| UFF | E) Y100m | points o | f 1009 | 6 |
| 4,7 | | Орел | Sett p | rice (| Sump | е Н | lgh | Low | Est. | vol O | pen Ini |
| 1.1 | Mar | - | 99.4 | | • | | - | - | 0 | | n/a |
| '': | Jun Sep | 99.42 99.32 | 99.4 99.3 | | - | | .42 | 99.42 99.32 | 300 50 | | n/q n/e |
| - [| E THREE | | | | ere d | | | | | | 198 |
| 5.5 | | _ | Sett p | | | _ | _ | | | | |
| ا يو | ha | • | | | мыз | | igh | Low | EST. 94 | | pen ini |
| - 1 | Mar Jun | 95.72 95.73 | 95.73 95,73 | | - -0.01 | | .74 | 95.72 95.72 | 100 | _ | <i>8</i> 718 <i>75</i> 51 |
| - | Sep | 95.70 | 95.7 | | -0.01 | | .75 | 95.70 | 34 | | 4705 |
| - | Dec | 95.66 | 95.B | 5 | -0.02 | | .68 | 95.65 | 15 | | 4591 |
| -] | • LIFFE Subsection | | | | 1 100 | 0m -~ | | of 1009: | | | |
| - 1 | | | | | _ | po | - 110 | | - 84 | | |
| . | Ştrike Price | Mar | | CALL! Jun | . — | Sep | | Mar | PUTS Jun | | Sep |
| - | 9250 | 0.12 | | 0.56 | | 0.85 | | 0.01 | 0.11 | 1 | 0.19 |
| 4 | 9275 | 0.01 | | 0.38 | | 0.67 | | 0.15 | 0.18 | | 0,26 |
| ١ | 9300 | 0 | | 0.24 | | 0.51 | | 0.39 | 0.29 | | 0.35 |
| | Fat. vol. total | Colle 207 | and thirth | 2813 | L. PREUE | um day | | | R 1821Q | L DOME ! | - THE |

WORLD INTEREST RATES

MONEY RATES





→ Real-time protes → Ferex data

+ Fer lafe call 44+171 626 6101 ext. 3a

SPREAD BETTING ON OVER EIGHTY MARKETS

Mazy 0.01

0.07

0.23 0.24 0.03 0.05 0 0.01

CALLS -

965D 9675 9700

Strike Price

5.00

0.26 0.07 0.01

SET. vol. total, Calle 18410 Puts 1428. Provious tiey's open ire., Calle 542518 Puts 321438.
EURO STRISS FRANC OPTIONS (LIFFE) SFr 1m points of 100%

0 0.03 0.27

0 0.05 0.27



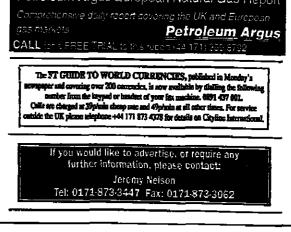


Standard & Chartered

Standard Chartered PLC

US\$400,000,000 Undated Primary

Capital Floating Rate Notes



FT MANAGED FUNDS SERVICE Offshore Funds and Insurances FT Gityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more detail | Press | Pres | Description | | Michigan Biological | Marie 300.52 -0.00
300.55 FG Sicardo
-1724 Lus 00 382 228
530.25 +0.05
530.25 +0.05
530.27 +0.00
Extr?-60 +0.00
522.67 +0.00
530.51 -0.00 311.05 614.93 MERC 28

MERC 134

NEE 5771 724 3700

ST40,18

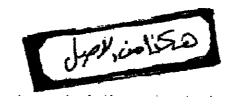
F721.43

FR00E8 -
ST61.55

2883.67 \$2L11 | 28 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (Instrumentary on 1924 or 57 2476) | 18 Alles Scheduler, L-250 (I 00352 47971 7 ray do Marchy - mo - Coning 00 352 4799122 (b) - 2535 (Bobs) houston Foreign & Colonial Essential index in the index in Co. SCOV.
Colonial in Co. SCOV.
Person by Co.
Peliat investment Co. \$1712-77 \$2885.34 \$1993.64 \$1993.64 \$1997.02 \$479.72 \$479.29 \$479.29 \$1784.57 \$1784.57 \$1882.60 200 (4962) 1251 +005 1 \$12.19 1251 +005 1 \$11.67 12.94 -0.01 113.02 -0.02 114.65 11.63 -0.02 154.65 12.63 -0.02 5110,19 10,025 DIFTO S. TOLIA ___ 596.53 OFFSHORE



MEN



| -Ond | ET Cityline Unit Trust Prices are ava | Mable over the telephone. Call the FT City | FI | MANAGED | FUNDS SERVI | CE | | Offshore Fund |
|---|--|---|---|---|--|--|--|--|
| han han | OFFSHORE | ing prior begin bridge out that the F1 City | iine Help Desk on (+44 171) 873 4378 to Description of Table File Mar - Base | r more deteils. this lister bulling Reging + pr 1 Store Non Plan - 1 | Yaddi iad kadan Sadhay Rayby +or Yadd Brs Garge Poles Poles - Brs | Salley Baying our Wall Pater Pater - Atte | Salling Bayling - or Yield Miles Price - Breez | isk kriss Belling Anylog . or 'Th Clays Price Price - 'St' |
| | | Rothschild Asset Management (CI) Ltd | | Global Asset Management 65-81 Lower Hourt St, Sublic 2, below 65-81 Lower Hourt St, Sublic 2, below 65-81 Lower Hourt St, Sublic 2, below | Tibaey (Iroland) Lid 0000 2002 (Louis Halen Steet, Donlin 2 00 3551 7905013 | Gartmore Korea Fund Pic | Utster Bank brestment Services | Prodestial Fund Managers (Jursey) Ltd |
| mon | BERMUDA | Per Nome Lain de Dist. 5 \$17.23 15.40 40.4 0 An Articum International Band Feath Park E (Bord 34 22.23 22.25 -0.05 5.45 Feat US Bord 34 50.25 34.40 -0.06 5.33 Feat US Bord 34 50.25 34.40 -0.06 5.33 Feat US Bord 34 50.25 34.40 -0.06 4.33 Feat Mark Band 34 50.25 31.44 -0.06 4.53 Feat Mark Band 34 50.25 31.44 -0.06 4.53 Feat Mark Band 34 50.25 31.44 -0.06 4.53 50.25 31.44 -0.06 4.53 50.25 31.44 -0.06 4.53 50.25 31.44 50.25 50.25 31.44 50.25 50.2 | Schroder Investment Menual (Guernson) Ltd | GM Fact Management Life (c) COV Anto Inc. VI. Cov. Cov. Cov. Cov. Cov. Cov. Cov. Cov | US MAY Cop | Global Euro-Asia Investment Tertain Senter Cos 514.78 15.58 | - Net West Street 10 Ptc. 57 25 7 AF - 0 18 - Nathurst Loadstry | PO Rex 103, St Heller, Jersey 07534 8000 Practical Connect M February Vacanta Connect R0 Income A6 R1 |
| for | (SIB RECOGNISED) | FAS LOSS Broket 34 ST0.72 17.90 +0.07 4.86 FAS LOSS Broket 34 ST0.72 17.90 +0.07 4.86 FAS LOSS Broket 19 14 -0.04 4.82 FAS LOSS Brok | Emerging Markets 917.32 18.41 | 646 Europe 4cc 11 | IRELAND (REGULATED)(**) | Globel Resources Stock Fund NU 512.96 -0.02 Foliation Socies USF Upon Reserves (o. \$1.00 | Refrices UN most | Royal Bank of Septiand Fd Alges (Jersey) Ltd PO Sch 443, Democe Home, St Hoter, Jessey (1754 675) Borrage St |
| Miles Miles | telt fishe Stilling, Beyleg +or , Teld Gryp - Peter Price - Drs Pricellity Correscor Francis 126 Production Mal. Presidents, Between | FARE, Mr. — \$53,851 #0.009 #0.00 FARE, Mr. — \$33,005 #0.00 #0.00 FARE, US: — \$587,11 #0.00 1.25 FARE, DR: — \$000,002 22 #0.00 2.20 | Stainer Four Managers (Comment Ltd. | BARM Tobso Acc H. DMT182.17 GAN Table Band Die las H. DMT182.17 GAN Tobs Band Die las H. DMT182.77 GAN Underward Ziel las H. DMT182.77 GAN Underward Ziel las H. DMC52.29 GAN Underward Ziel las H. DMC52.29 | Soling Buying +or Yold Price - Boom - Alls Frond Management Ltd | USS Clark Power & Co | Yamalchi Sameung Dynamic Korea Fund | Royal Bank of Scotland Interaction Ltd PO for 585 57 Habrusery Royal Bank of Spotland and Donator Pertials Limited Growto Not 7 22 E.CC2 1.872 +0850 |
| Military and American | Paradechia 146, 7400 61477 | HARR, F | Al-Palah ler Co Lisi | Gran Universe Plight Select Funds Pic 40 Box Sall, St Pater Part, Goldmany Brit SUN, Cl | AR Stolet Funds Out Treat Outbacks Facal Did Managed Correspy DICCARS. 22.525 | Starreguete £1.10 Starreguete £1.1144 1.1715 | Yellow Sea Investment Company PLC 180 Sea Investment Company PLC 180 Sea Investment Company PLC 180 Sea Investment Company PLC | Fronts (F) 3-2 1.02 1.072 4800 2-decord (155) 3-5 50 50 1.004 -0.020 2-decord (155) 3-5 51 52 1.004 -0.020 2-decord (155) 2-7 1.05 -0.004 2-decord (155) 2-7 1.05 1.004 2-decord (155) 2-7 1.005 1.005 2-decord (155) 2-7 1.005 1.005 2-decord (155) 2-7 1.005 1.005 2-decord (155) 2-7 1.005 2-decord (155 |
| ************************************** | 2010 F18 10 10 F As | FARE, FIF | Coloct High Yold Bond A County Interest | Fermina MARK 717176 Declare (ISAR) 75 | 4001 AON International Funds Pic US Delar Reed \$10.02 10.03 = US Delar Meney Mades, \$10.07 10.08 = | Sharegoon 20.9633 1.0337 HSBC UK Equity Plus III Plus | Yeld; Koren Fond | Standard Bank Foud Mguri (Jorney) Ltd 20 Ban S25, S Heller, Jamey D Starting Bong |
| · 🏰 😅 😥 🛒 💮 💮 🛬 | 07 Acres 0831.696 +0.605 1.50 FCJ Acres 2:13.549 +0.609 3.90 FR Acces | FARE OF SHAPE SALES | USG Steat Proc Life A Part Ran S 128.04 134.00 STT (Gaserussey) Limited toth Account List | Washes betten Equaty A 5 501.72 21.81 +0.16 Markes Indian Equaty B 5 520.85 21.86 -0.16 Colon A 5 520.87 40.64 +0.08 Colon B 5 520.87 41.02 +0.08 | - Argenta European Hedge Fund, pic - Mai \$12,53 0.08 Asia Dynamic Growth Fund Pic | Steedards 20,9701 1,0193 20,9701 1,0193 20,9701 1,0193 20,9701 1,0193 20,9701 1,0193 20,9701 2,0701 | ISLE OF MAN | TSB Friend Managers (CD) Ltd PS Second Managers (CD) Ltd PS So SSB, SI Holler, Jessey D1534 5620 788 Official Investment Front Ltd |
| And the control of th | 195 Across | FARE Tes 120114.08 +0.23 4.35 | Yamalchi Ganitai Must (Guesusen) Lid | Hambros Frand Hamagers (trakma) List last Russkal Services Cos., Dublio 1 0171 505 1 Asian Karas Apostago \$9.52 10.00 -48.02 | | Hamon Ireland Ltd | (SIB RECOGNISED) | Confirmation of the second contract of the second |
| | SPIN ACCESS PROZPELS +1.1 5.TQ | FARL Lies by | Vanualchi SS Fund Hills. \$5.94 -0.03 - 1 (manualchi ma fa Sheid Hills. \$5.29 - 0.03 - 1 (manualchi phanualchi Hill. \$5.20 - 0.03 - 1 (manualchi phanualchi Ada. \$510.11 - 0.08 - 1 (manualchi phanualchi Again Claus Hills. \$15.06 - 0.09 - 1 (manualchi phanualchi Hills. \$15.06 - 0.09 - | Honderson Croetheralin Investment Co 22 St Mary at ME, Landon, 1939-34 0600 Set European | 1205 Anian Diversified Equity Fund Pic 1407 58.37 -0.20 - | Chemistre | - Danga Paton Pator - Siris | Seg Leighton Comp 3 10,27 194,50 ed. 84 44 44 14 14 14 14 14 14 14 14 14 14 14 |
| 「 | Prigram | | IRELAND (SIB RECOGNISED) | Gittest Managest 51,3445 450 450 450 450 450 450 450 450 450 | - Asian Examples Markets Fund Pic 4.85 WV | Flor Venium Portinity NEV. \$10.11 +0.06 - Second Venium Portinity NEW. \$10.05 +0.07 - Investinc Asset Management (Ireland) Ltd ISA mater A | For ANN. E.E. lets not the Majori Int Fo Majorichio - Afficial December Intil Found Majoris (1600)F Lant Struct. December. John | bland Founty F 6 137:30 144.52 -0.73 0.7 188.6 From the Obstracty Share F 3 107:03 107:39 -0.31 7.4 189.0 \$\frac{1}{2}\$ Share F 3 10:03 10:739 -0.31 7.4 |
| See A . | Jupiler Tyndell (Bormede) Lid Po Bor Het 250, Handler, Bermode och 800 202 2760 Juger Tyndell Wedd Mahelle Fred Life Siglic Tyndell Wedd Mahelle Fred Life | March Marc | Ind Rober Salling Buying + or Yield Clarge Price Pales - 875 | For Lift see GT States | Asian Growth Fund Pic 1907 | USA index 9 | AD Marie Eq. 5 \$19974 0.9067 -0.0073 0.37 AD Marie Eq. 5 \$1399 0.3574 -0.0015 0.04 AD Wreto Eq. 5 \$1 100 1.750 -0.0015 0.00 AD Wreto Eq. 5 \$1 100 1.750 0.0015 0.00 | JERSEY |
| を を を を を を を を を を を を を を | Bertinod | FACTOR F | ASS Fund Management Ltd ASS headwar has Assy Page, Dalls 4 00 3551 661 7077 ASS headwart Fund Quality Fund | Lazard Brathors Irpopolement Francis Ltd 2022 Lower Hatch Stept, Dablet 2, Jednet 3531 7605 Lazard Berlinet Stehn Bunks Famil Pic | Asset Koree Fund ST AGS Affantis Koreen Smeller Companies Fund. | Geomi Bond A | ADI GR East 5 12-382 2-2020 -0.000 0 ADI GR & brooks 5 12-316 0-2762 -0.007 0-56 ADI UK-Cao Gas 5 10-400 0 4414 -0.008 0-91 ADI 40-91 AD | (REGULATED)(**) ET ≥= : " |
| (1987年) 「新練子の表示人」 ・ 東京の記念 | Tipe 517.69 17.06 -0.77 0.00 937.69 17.06 -0.77 0.00 937.69 1.67 1.67 0.00 937.69 1.67 1.67 0.00 937.69 1.67 1.67 1.67 1.67 1.67 1.67 1.67 1.67 | FACEL SE. 1000 1000 1000 1000 1000 1000 1000 1 | Constructly Historycol | Luced European F 5 | HW (Indition) May 12 . \$7.17 -0.20 0.00 MW (Adv China) Feb 25 | Cobel Horsey A | For compress Prices of States Prices the MEX 62360 Authoriting Global Funds Ltd (1200) Veryny Han Prospect Hall Desailes, John 01624 670697 | Bank of Scotland Fund Managers (Jorsey) Lis Bank of Scotland Waters investment Funds 154 Sarting Boot Case 80.16 101.53 -0.02 5.4 |
| (数をなった) (数を表現して) (数のを表現した) | 25 Maril SEV 1988 Marie SEV 1988 Marie 1980 1980 1980 1980 1980 1980 1980 1980 | PROCESS ST. SP(1971, 12. 40,000 2.54 PROCESS ST. | EC Status Assets Franci | Lucard (IK Graft) 5 1.172 Lated IK Graft) 5 1.78 - 1 Lated Japan 5 177-65 - 0.21 Lated Japan F 5 5.052 - 0.27 Lated Japan F 5 5.052 - 0.27 Lated Japan F 5 5.057 - 0.07 Lated Late American F 5 5.17 - 0.07 Lated Late American F 5 5.17 - 0.07 | 3.07 RT Gold Light Part Po (255) - Incolor States | Eyes Ruid Australian Res. AST 35 | United National Print Unit | Burchys Global bevestors Jersey (1st |
| Mark 100 100 100 100 100 100 100 100 100 10 | (Priory French Ligation) 6 Front St., Hyperfiles, Heilith, Section to 1914 1441 262 6570 | Chinal Paris | | Learn Emerging Ward F 5 \$10.83 -0.02 | BTGT Asset Management (Greined) Ltd incommutation leading Styles.70 | Nov | 4 Chroston Rosel, Douglas, 1081 Bril Especa (2004) 1 (2) 0000 1.0121 46094 4.48 Bril Especa (2004) 1 (2) 0000 1.0121 46094 4.48 Brill of Principle (2004) 1.0121 46094 4.48 Brill of Especial (2004) 1.0121 4.0131 1.0131 International Especial 5 10.3293 1.416 4.035 1.0151 International Especial 5 10.3293 1.416 4.035 1.0161 Sharing Carrysley 5 10.3297 1.0161 4.0353 4.56 | EGS Herged Sab Fond Levis 20 18.34 ACT Herged Sab Fond - 8.31.71 M 14.00 CR Herged Sab Fand - 8.31.71 M 14.00 CR Herged Sab Fand . 179.21 19.75 - 150 Sab Fand . 179.21 19.75 - 150 Sab Fand . 179.21 19.75 |
| THE PARTY OF THE P | BERNUDA | Cost Earn Cales F 0 North 57 201 Cost Earn Cales Act F G 1807 to 27 201 5 South and Daniel F G 1813 to 11.540 | Managed Coller for \$1.00 4.5e Stranged Date Falls \$1.00 16.51 Stranged Date Fall \$1.00 16.70 | Lacust Breakers Chabel Read Find Fix Lacust High Fish Breaf F 5 50.99 -0.07 (Lacust Dis Fish Fish F 5 50.94 | ggs for 629 me landap Galpal Impates 5.75 5.75 Bank of Iroland Claff Managers Lital | Normal Part Part Part Part Part Part Part Part | State | Barciays left Fends Anias Society Fends Asia Siacolin Fends ASIAN 58 5172 0.632 -0.032 0.6 Crists 517 318 17 925 -0.072 0.6 Feng Kong 52 724 -0.093 0.0 |
| *** | (REGULATED)(**) | Alaha Goath Cian Aco F 0 84/05 9.886 40.022 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 | Adm 97000 Inc | LESS US LESS HEREN F. B 3300.05 +4.72 4 | Age | Kurte Belanced Roturn Fund 1907 99.35 -0.20 - Korne Bood Fined Pic | 07824 62369 High income | Microsoft |
| lift | Arjaineral Capital Management Ltd | Carmotion (John Acc F., 0 SEZ RE 28,377) | Berdpate Growth Inc | Lucard Stating Liquidly F 3 20,9300 | Leth Am East Wild | NAY \$9.58 -0.06 - Koree CB Frand Pic INV \$7.25 +0.20 - | Microscy Fund Managent hill Ltd 01674 662255 123 kill Street Dougles hill 01674 662255 1482 to 14 Protein 5 1487 157 -010 18 Marc tre Bond 5 59 84 62 81 +003 6.7 | Notaryon SA 350 96.078 -0 107 65 Philippines S34 469 197 -0 527 05 Philippines S24.07 25.879 -0.385 05 Philippine S24.07 25.879 -0.385 05 Philippine S24.07 25.879 96.985 05 Philippine S37.869 36 Phi |
| | Berende lett knoent Nigroot 1td Joseph let Nier 4 \$25.91 28.92 1.23 Berende Book Frents List | UK Equity Class F | Bank of Cyprus Group 1 Particurousler Place, FSC Dables 1 253 16700300 100 Informational Fluid Management Ltd. 1,2499 | S0.8987 3 S0.8987 3 | | Korne Capital Growth Fund NW | Old Michael Soff Fd Managers (hile of Mex) Ltd. Victory Nac, Prospect Mr. Ouglie Unit - 0*1214 (\$256)3 Total Victory Fd 54, 85,90x 109.93 5 6 Osobor Lett Mont Appli Ltd. | Cater Allen Investment Management (CI) |
| orts | Interest Number 188 | Substitute Read Office F . 0 April 1985 1985 1985 1985 1985 1985 1985 1985 | Baring International Franch Managers (Irpinos) Ltd. | Horgan Greafall Investment Funds Lid (n) 20 Partney Chess, London EC2M 1UT 0171 585 7 American Entegrips | Contrigue Japan | Roma Govet Genet Fil Fig. 30.38 Korsa Open Fund 36.10 +0.02 - | Po Box 82, 19-21 Circular Rd, Douglas 01624 622689 Cantago bigraeconi 87-5 96,780 7 1715 Cantago Bigrae Byally> 96,886 172260 | CA Peach Income Ph_7117 (2777d) =0.13 |
| # 4 mg | H 16 Boot hat 14y 5 \$7.81 7.90 8.84 | UK Bood Ci Sec F 0 93880 (8.977 | Facility County (1997) 275 | British 2 | - Callo indice: Fd \$10.0408 Colorado indice: Fd \$10.0408 Significa indice: 54 \$10.0408 | Korea Special Opportunities Fund Pic 1804 - 510.12 Korea Sprint Fund Pic 1804 - 50.21 - 0.02 - | tractal Card | Cazenove international Asset Ringt Ltd (CIAM Sib Eng Mes Pho Ltd 51,8837 1,1777 CRM International Bond 11,8035 1,0348 -0,032 4 CAM Starting Bund. 11,8740 1 1029 -0,0008 68 |
| 製造工作を受ける。 運動機会を で | September Sept | UES \$44.58 4.58 Creation \$ 2.00 | High Wated Board | | Supernature Fd. \$73.1798. Perts taken Fd. \$71.1797. Lattle Accuracy Index Fd. \$88.922 Super Martins Index Fd. \$8.9922 Super Martins Index Fd. \$8.9922 Super Martins Index Fd. \$8.9922 | Koren Straingle Growth Food WY Straingle Growth Food WY Straingle Food Koren Somise Food | Sim Life Namagement (told) Ltd PO Rev 22, Castletow. Ioli 5 Sesim High rection 6 IN 1812 1 2592 +8802 0.82 Hitcher Rank Stighat Francia Pile | Citibank (CI) List 'Citibanda' Basis Fants Japan (quity liter 13 \$7 725 -0 040 |
| Manual | - Reigneit Mar 9 - 517.75 18.11 | \$ Shecking 522.46 5.10 D-Bark 585 25.5 Selas Frants 5744.45 Japaneses Ves 5744.45 Japane | Tar Born Lane, Chaupatica, EC4N SEE 0171 236 7100 Setal Periodia Soldier AF. 5 715.50 | Engine Empire Section Empire | - EXIT Presi Income Sutprison Found File - Stocking Unpliftly A | Korean Emerging Growth Fund Pic korean Emerging Growth Fund Pic | Victory House, Prospect MB, Daugher, Intl. 01624 620007 Bioby Equity 11,2943 1.3640 +8.236 - Gathal Power Internet 119909 1,0260 +8.002 - | Rend France HYB (so Mar 7 \$800)00 052 +107 000 Special Assets (8) Mar 3. FR-11839 601 +28.859 Citibatuk M.A. |
| | US Delir. \$11.77 | Sarable Funds Magnet (Guernosy) Ltd 90 Sto. 245, St. Paler Post, Guernoy (1149) 723021 Robert Polit Rooms S. 53561 3778 +418 - Gebeller Delir Ref. 6 33454 -4018 2 10 | Scar Profess Scales 87 - 5 117,577 + 40,07 - 5 117,678 - 117,677 - | Jopan Capital Derit Yan F. 1945.2 +0.13 | CS 1000 153 1000 155 | Korean Power Fand No | Unitenik Scandinavian Fund Ltd 19-21, Carolin Rd, Dayles, Iol 01624 029420 Scandinava Fd 5 308.31 325.59 1.00 | Libra 2900 int siar 3 \$165.70 • 13.06 Coulds (Jersey) Fund Managers Ltd. Authorize Notice Purishs Ltd |
| | | Retailer Poter Resen . 5 SS.61 37.78 40.78 colors (Retailer Poter Res . 6 St.64 38.44 40.19 2.10 Geballer Rip lief. 5 St.64 38.54 40.19 2.10 Geballer Rip lief. 5 St.64 38.54 40.19 2.10 Geballer Rip lief. 5 St.64 38.54 40.53 5 Geballer Rip Resent 5 St.66 37.54 40.30 40.30 Geballer Rip Resent 5 St.66 12.270 40.30 40.30 Geballer Rip Resent 6 St.66 12.270 40.30 | Income Portiolo S.F | Appen Depth Greb USS F. 51,162 -0.073 Appen Capati Greb Y F. 51,162 -0.074 Appen Capati Greb Y F. 51,162 -0.074 Appen Capati Greb Y F. 50,162 -0.074 Appen Capating Cos 50,460 -0.074 Appen Georgiag Cos 50,460 -0.074 -0. | - Acetrolic SA 13 3584 4-020 1.39 - Isoto Fund CD154 27.57 -0.14 0.00 - Note Start CD154 27.57 -0.14 0.00 - Note Start CD154 27.57 100.27 -0.00 - Note Start CD154 4-0.02 0.00 - Notice Fund SAS.87 45.86 -0.44 0.00 - Notice Fund SAS.87 45.86 -0.47 0.00 | 95.176 \$5.176 = | ISLE OF MAN (REGULATED)(**) | E Annot High E17 12 17 79 \$ Annot High \$10.29 10.89 E Coath & Fusion Algi \$11 93 17.32 \$ Coath & Fusion High \$12.02 12.49 |
| Phasis, | Cold Immage C1 | Schroder Investment Hingari (Guerness) Lid PO Bin 265, St Palar Paz, Guerney 01461 710551 European BdS3 E1281 11.44445.93. Apprix Sig Equit0 88,866 7.1052 | | Japan Emerging Con Year. 195.92 -0.75 Japan Sanat Co's USS. 91.990 -0.020 Japan Sanat Co's USS. 91.990 -0.020 Japan Sanat Co's USS. 91.990 -0.020 | - Min American 148.22 48.54 -0.02 0.00 0.00 0.00 0.00 0.00 0.00 0.0 | Lazard Breithers Investment Funds Ltd Leand Sminge Yeld Fund \$9.0140 -0.01 - Leitmann Bros./ELG Partners Asset Might Ltd (b) | Selling Baylang + or Table Prior Prior - Grass | ESC Fund Managers (Jersey) Ltd ESC Tradal Councy Fund Ltd* Income a series of S42145 24 184 - 4.045 0.7 |
| | Japan State | GUERNSEY | No Austrian Egulty SSUES -0.03 0 1 | Ladin American USS | - Trigger Harmont \$33.85 \$35.55 -0.84 0.00 - Hanny Acong \$157.61 106.59 -1.84 0.00 - Blobal Energing Miles \$12.41 12.04 +0.00 0.00 - Land Acondo \$10.13 10.54 +0.65 0.00 | G.G. Babacad | For Alah (SS), and map (And Magnesia and For Magnesia (And And And And And And And And And And | Capital 5476.95 38.099 -0.144 "Offer pace includes 3% profile. charge International income Pace" Excelet Long Terra-US\$. \$32.71 34.1864 +0027 4.9 |
| 建 | Hope long ledo | (REGULATED)(**) | Destince Mark Income . DM1106.34 +0:15 4.50 Euro Carrino; lexcels Ecc102.67 +0:01 6.31 Gibbs lecomo-Sig F10.83 +0:06 5.56 ficiari lecomo-Sig SF100.60 +0:06 5.56 | Reserve Assets Bond | - discus Emergeo Mater \$12.47 13.04 +0.04 0.00 | Lotes Femd Pic Lotes India A | SUE EMERICACIONE ASSOCIATION (COM) U.M. SUE International Ground | Establish (pag Yeros-DM _ DEP(S)) 114-073 40.074 1.4 "One Pice includes 37y4 initial Charge Floreing Group |
| Mark Fig. 20 | U. Sia India | ARZ Magnet Co (Sturratory) Ltd Swaps Machinel by Pale, \$94.50 24.77 Residue Del Petitide #11.1787 11.178 -0.306 | Service Security Services Serv | | | Marathon Asset Management (Iroland) Ltd (u) Global Equity A | Ratik of leatest States Fresh Listinal tol Sag Regs \$250.00 \$86.07 \$40.70 tol \$25 Gents \$22.46 \$34.11 \$40.57 | Potent & Steek ANY Set 11. \$8.01 Doumchland HAV Feb 28 DATE-29 Potent . \$72.05 Austino Securities May 5 \$19.74 |
| P | Somme Bond Indo | Anglie Investment Messenautet Ltd | Coatts Lighting Famil File Dollar Class | Looking for a | | Matrix Fend Company Pic String Liquidity A | High income (RE | Foreign & Colonial Minget (Jersey) Ltd Foreign & Colonial Reserve Asset Fund 151 USS Start Term Assets \$12,799 at 0.004 |
| · (Angle Angle A | Butters Capital App 517.39 | Span S2.178 A.704 Type | Credit Lyonneis Intl Asset Nigt (RK) Ltd 8 Counseld Plata, Hong Yong | solid D-Mark investme with real growth | ent | Franch Franc Liquidity A. FF-1032-200 US Dollar Liquidity A. S105.45 Destachment, Liquidity A. SF-100.00 State France Liquidity A. SF-100.00 F-105.21 F-100.20 T-105.21 T-100.20 | Starting Currency £32.79 | USS Stoot Term Americ 912788 +0.004 Sining Stort Term Americ 115,878 +0.001 Sining Stort Term Americ 115,878 +0.001 Sining Stort Term Americ 125,477 +0.002 Storing Storte 20,248 +0.002 Storing Storte 20,248 +0.002 UK Storing 115,2777 +0.003 UK Storing 115,2777 +0.003 UK Storing 115,2777 +0.003 |
| | Bigness bel Income | AS interestional Fund List Alexanded Cormody | Tel: 44 1256 57172 Fiz. 44 1256 52911 Craft Cyments Sprily Instrution Fiz. Asian Stalt Co | potential? | | US Coller Uspaidley B | Bottogs: Opion & Visconics . FOLRS 0.99 0.00 Bedroom Opion & Visconics S \$1.50 1 80 0.00 Bedroom Regurni Antols 102.25 102.25 at | UX Equipmes 20 175 -0 158 US Equipmes Societies 20 175 -0 150 Japanese Societies 20 150 150 150 150 150 150 150 150 150 15 |
| Maria de | - Integral Bond Arbitrage Fund Limited Burl Address Folia S107.58 | Section Sect | Tries Bit | | • | Morgan Grendell Cash & Money Market Pic No. 11.00 5.76 Morgan Grenfell Front Jacobso Funds Pic | Novike, James Fund Managers Lisuited To Pota halous (EQ. 163.7647 -0.4569 - Old Mutual Inti Fd Managers (isle of Man) Lid | Jeannes Conflos VSD 5 |
| | 100 Group Entry | Global Egylly | Pacinic Brooks | ı | | Benging Man Red Nesse \$1.512ml -0.050 -0.0075 -0.0075 -0.0075 -0.0075 -0.0075 -0.0073 | European Equity | Protected Capital Pies 8 |
| Application of the control of the co | * Prices on Feb 46 Heat Pricing Mar 13 Wealthy Pricing - Thile Sentitly & Co HISTORIAL Nature Feb 27 \$20.11 | CIBC Fund Managers (Barranoy) Ltd Shring Howy Hartat. 210,825 5.39 US Date: Housy Hartat. 515,745 4.64 | Orandour Malamort Benson but Mot Services Ltd La Tauche House, FSS, Dublin 1 00 3531 Grb1444 18 Engine 0171 200 3600 | hanno | over re | Moroen Granfall Preferals Pic | Grant Comby | John Sevett Hamagement (Jersey) Ltd Control Agen Jar Co Ltd. \$8,5200 |
| PER PAU | GUERNSEY | Can Delar Manay Market (3532750 | Chairment Beasen India Faset File Equity Granth | | , | American Swaff Can | Securities Francis (1950 50.93 0.89 Riff Francis Managers Ltd Lourn Starting Photo Ltd 510.44 10.84 | Der Gobeit Reierren \$12,8845 13,938 0.0 Emerging Marieto Inc \$8,80 |
| Magazia Alikusa | (SIB RECOGNISED) | POF Bas Graph Q | OC Smaller Companio USO. 5 \$13.56 | Growth with | h reinsurance | Pacific 12.745 +0.004 - Pacific US\$ 54.576 -0.024 - For inclusio Account Microsian Color Colorida Francis | Sylvets International Frank Management Ltd ATC International Boller \$12.62 | New Survey law Co 120 \$- 12.2500 0.0 55 per Season for New New A. \$22.0312 0.0 55 per Season for New New A. \$22.0312 0.0 12 february Survey S |
| | Copy Note Price - Grand All Reportment Managers (Generatory) Ltd. | Casile Management (Casessy) Ltd Tacket Hamagement (Casessy) Ltd Clarify Investment Met (Casessy) Limited | 15 Equity | | | New Silk Road Food \$14.52 +0.10 - | Spring Stanfard St. 1572 Stanfard St. 1572 Stanfard Stanfard Stanfard St. 1554 Stanfard | Greatt Saleguard Punds Ltd Hong Kong Saleguard |
| September 1997 September 1997 September 1997 | 10 10 10 10 10 10 10 10 10 10 10 10 10 1 | Euro Malii Mar BookiCu81 | Chien 5 \$7.41 Hosp Rooq 5 \$75.14 Indonesia Fund 5 \$11.82 Form 5 \$4.61 | | | The Morthern Trest Global Cash Fends Pic The Stating Ford | Starting Bond | US Saleguard 511 3345 Fact teams pice on far 71 510 |
| - स्टिकिट - स्टिक्ट | et Ecnely Megt | Common C | Theilprof Fund | | | Omega Trust (Makrelle Fund Pfc | Surfing Band. C1 1777 Stotel Engly B 1750 Emerging Markets S 1 1554 Peacle Engly B 1750 Emerging Markets S 1 1554 Peacle Engly B 1750 Emerging Markets S 1 1554 Peacle Engly B 1750 Emerging Market S 1 1550 Emerging Market B 1 1500 Emerging Market B 1 1 1500 Emerging Market B 1 1 1500 Emerging Market B 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | UN Saleguard |
| A Second of | Vertainment Barrel Front Inc. St. 512 2 1 824 - 0.001 7.00 Buileneess Filipht Fel Minagers (Generatory) Ltd. O Ban 250, St. Fator Fort, Buileneesy Styl 304 CJ | Enrypsian Bund Acc | Congulated | Listed on the Hann | ONOVEF ITE nover Rückversicherungs-AC | Orient Balanced Frant Pic Wer St 00208 -44905 - Pacific 21st Coutery Fund | | American Equity inc \$2.7630 2.9880 -0.0030 2.01 Japan inc & Greb \$1 4650 1.5720 -0.0030 1.63 Barring Breconlasted Branch Fourth Planer Markets \$2.7350 0.1670 +0.0040 |
| The second second | Against \$1451 712(76) Outlies \$1461 714561 - Talmon Fight International Assess Free Being - Scient Strang D \$41,880 +0,01 4,50 - Tarifas Manage D \$42,883 +5,07 4,50 | | The Cloted Particular Fund - Cloted Equity Fund 1955 Section Units 4 5109.0067 1955 Fund Units 4 5109.2015 1955 Hold That Units - 4 5106.7749 | | 30x 6103 69, 30625 Hannover, Germany e +49/511/56 04-0, Fax +49/511/56 04-648 | Pacific Greeth Fund Ltd. | JERSEY (SIB RECOGNISED) | E Mng Pertialo |
| | 'to Michaey | Non 1994 STY10054.56 STY10054.56 STY10054.56 STY10054.56 STY10054.56 STY10054.56 STY10055 STY | Edinburgh Hoft Trust Managers (Ireland) Ltd 80 Hacourt Street, Octón 2 00 3631 7902400 Stringh Stat San Mar A 107.5 | | | Paine Webber Offsbore Funds Pic (a) (2) High Income Class C \$9.02 9 40 | icil Roter Solling Stepley + or Yahli Corpo Price Price - G'i | Vector Startey |
| CROSSWOR | The Court Section Sect | Commercial Buier Captives Inv Mingt CUCH Trest | Federated Interestinal Federa Pic (II) 14 Harm Street, Dadie 2 20-1-10 Times Sector 51.00 4.51 | Claye No. Mer . in | Regime Method (Instanci) Ltd | Tactical Allocation A | All Franch Massagers (Cl) Ltd. AC Box 488 St Heller Josepy 01534 863008 All Sportmed Surrancy Fund Unchyd Steffen Mae Core. | Lazard D'fled Bod ploc) A. \$41.05 43.1 Lazard Japan Futet |
| CK093 | # 100 100 100 100 100 100 100 100 100 10 | Canadhan Europy Feb 29 549,53 54,071 — ~ Capabal Feb 29 514,13 14,16 — ~ Europy Match Nat Feb 21 520,47 20,08 -4,06 6,84 | Signi-Term US Prime" \$1.00 4.85 High Income Advantage \$12.05 13.15 +0.07 8.00 Palaratud Supr-Tume US Seek Securities Familiand Seek Early \$1.00 4.63 | Escape House, Harcourt St. Outsin 2 2531 407 20 History Chibal Accountation Food For History Reporter Story 2 105.99 +84.03 E. | 00 Umbreits Parel Inc. \$12.9\$ 13.25 0.00 Percis Company 94 A \$72.97 2.25 0.00 Percis Company 94 B \$90.54 0.00 0.00 Labras Four Held Parel 194 57.25 0.00 0.00 124 225 Four Held Parel 194 57.25 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0 | Paribes Asset Massagement (trebunt) Ltd Gates Periodo | Sering Mgd Carr | Uberty International Asset Management Strong Money Fund £10,2421 +0,0016 0.01 US Point Money Fund \$10,2097 +0,0014 5.20 |
| | Maint Strategy Front (Daily) 33 Money Front | Credit Science Asset Hingt (Guernsoy) Ltd How Europe Dott | Investment Series" | Odey Asset Management Ltd 80 Harcond Steet, Deble 2 00 3531 799 94 Odey European Sh laz. 194189-49 | | Basel Postolita. \$13.47 +0.24 - China Postolita. \$13.47 +0.24 - China Postolita. \$12.51 +0.04 - China Postolita. \$9.31 +0.04 - Indonesta Postolita. \$9.42 +0.02 - National Postolita. \$10.70 +0.10 - | Deubetheaun Conney . 5 DM25.0025 +0.002 - | Lloyds Private Benking (Cl) Ltd Lloydsmil Word in Part . 52,859 4 695 0.96 Comband Word in Party Thronty London Office (honors) Ltd |
| | and Millionary Fermal | Deriver Lieuted Seekt. 10 24.74 Perived & Lieuted Derive. 23 72.10 Perived & France Offenseent (Commony) Lbit Berlin (Seettle (Commony) Lbit Berlin (Seettle (Commony) Lbit Berlin (Seettle (Commony) Lbit Berlin (Seettle (Commony)) Lbit Berlin (Commony) | The Fiduciary Trent Globel Fund Datelle & Ingele Han, Betalox For, Buble 10 Storl - 510.17 Selen Franc Globel Bood - 5749.470.06 - 15 Datelle Globel Bood - 5502.090.07 - 15 Halle Globel Bood - 5502.090.07 - 15 Halle Globel Bood - 550.200.04 - | Odey European Gin Acc | Berkshire Koren Frank Pile - Nov | Messico Porticilo | Barclays international Funds PD Bu 152, St Holer, Jersey Cl 01534 812700 Butty Pands Amendmen Equipm 5% 17 491 1 597 -0 882 1.00 | Committee Color (colory) Line Charlington Funds Chillips Line Accompleting Chapters |
| | The state of the s | H. (Marie 1920 G405) ** | <u>Georgia alleten keni (</u> . 0 | 60 Davesco Stepat, Codafo 2, Frobard | | Taliant Potable | inf Graph Mangar (F. F. C. 59 452 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 - 2,000 - 10 001 - 2,000 - 10 001 - 2,000 | Class A 8.55 Math \$19.28 -0.01 - Class B 10.55 Math \$19.54 -0.02 - Class B 10.55 Math \$24.56 -0.02 - Class D United \$75.00 +0.00 - Class B 10.54 \$23.66 -0.04 - |
| | ## Compay & Board For St. \$21,72 25.07 +0.07 5.78 bird Compay & France St. 4, 255.00 25.07 +0.07 1.14 bird Compay & France St. 4, 255.00 25.07 +0.07 1.14 bird Compay & France St. 4, 255.00 25.14 at 2.00 25.07 1.14 | (Shiel Protection Managements (Marie 1997) Life | US Close Equity 510.38 -0.05 - Employe Equity 97.71.34 -0.12 - Employe Equity 97.71.34 -0.12 - ET Stokes (449 177 710 4567 Looker (655) 2842 7200 Hong Long | ONE Ballon Empriller 6. 57.200 -0.00 전 ONE Ballon (Shi Ngal \$1.457 -0.005 전 DNI Gallon Emily Specials: \$1.258 -0.000 전 전 Carlo C | Dischance Asset Management (Iroland) Ltd On Japan Parlomance B 17.5180 Old UK Perlomance | Pioneer Management (Ireland) Ltd Blobel Spelly Pt | S0g Premier Income _ C \$10,050ml 6.00 | Cass F (046) DM22 16 +0.04 |
| | bind Spatty Franc 54, 5700.09 127 95 +0 18 0.13 Institute Binds Cab Fe 54, 548.02 40.78 -0.07 0.00 Institute Smirt Zio Fei 57, 588.40 64.22 -0.14 0.00 Kiront | Other Down St. Feb 20 | GT ASSIA A | DA Gallago Sai Alaican Esp. 6 \$2,000 +10,000 0.1 Chai Badhag US Dadar Bil. 80,990 -0,001 5.1 Chaiff A UK (Sai Transt | 00 CFP Internet Rate Achiltage Fund Fic 35 New | Dis Continues | Managed Maldamency, C 117,250 17,250 -0,050 - Managed Maldamency C 530 MB 31,230 +0,050 - Managed Mana | CROSS 5971 |
| | The Sander Companied St. 527-72 29-47 +0.03 8.24 tong Famed St. 578-10 84-16 -0.12 1.54 tong Famed St. 578-10 74-15 74-10 74-1 | Inputere OTC | OT Amin B | Profife: International Fund Pic 53 Familian Spany, Oabia 2 English 056 580566 Doaling 000 2002 American F 303.0 +1.5 0.0 American F 34.814 -0.024 0.0 | \$109.49 +0.33 - Capital Vision Fond Pic S3 14 -0.33 - | Podesti-Bade hal Hales C. \$11.56 Podesti-Bade hal Hales B. \$10.50 Podesti-Bade hal Hales E. \$10.93 | Gertage Free House Control List (2) | Class R (Conv.) |
| | ### # Profit | Harvelet, Througenerton Mingrat, Ltd. 1st law-Site High Inc | 51 Alama Edetry for A | American F | 00 Cham Marinton von Chambal Indired O Cham Marinton von Chambal Indired O Chambal Indired Francis Administrations 1.1d | RMB Globel Fund RMB Globel Body Polic. 59 20 -0.05 - AMB Globel Body Polic 59 21 +0.07 - J. Rodischild International Assoc pic | USD Namey \$1,0020a +0,000 4,19 DEM Namey DRS,000a +0 020 2,04 SFR Namey \$15,000a 0.81 | Class First Class Clas |
| | that Empy Find, PA, 500.27 02.22 -0.12 0.53 olds Gain — 54, 597.33 52.05 -0.03 0.09 olds Latera Find, 94, 500.08 107.35 +0.03 0.10 olds Heistighan, PA, 632.21 34.25 +0.14 1.11 anather Fol Magns (CI) List | Reimwort Beason Inf Fi Mages Ltd 12 https://doi.org/10.000 | 61 Aelen Sand Cos A. 50.84 19.83 -0.15 0.05 0.05 0.05 0.05 0.05 0.05 0.05 | Empelin Browth F 3CL9 0.5 0.5 0.5 0.5 0.5 0.5 0.5 0.5 0.5 0.5 | Stores Connectin Come Rend \$9.38 | Grai US\$ Managed | United Nagdons 5 14.3100ml -8.000 1.25 UK Stander Comments 5 11.9760 +8800 0.00 | Cast 3: 91 Acces memors 5: 112,07 40.03 - Cast 3: 916,6 Stpcf) - Dirio.36 - Cast 1: General Alph Year. Euro72.29 40.01 - Cast 1: General Alph Year. 5:170.14 - Cast 1: General Alph Year. |
| | ### Microsof 4 99800 E-1746 -04035 5-51 ################################# | "Title pice had an emission probability during For Large France pop Larged Broth on behind Ray | 6T American A | James Benerith | Citis innestment Fund (Ireland) Citis innestment Fund (Ireland) Citis innestment Fund (Ireland) Citis innestment Trust Mingt Company STE Shint Fund Fo | #855 Namespad | Latin America | Casts 20 EFR transb cared SFr11 32 |
| | MIA Vap Rend 4 15000 3000 A4 2.10 | Laboration Fest of Restricts | ### Assistant Str. 128 B. \$27.123 \$42.2 0.00 ################################## | 51 Semplant's Graces, Dubble 2 00 3531-475760 | Agin Starret | UK Board 5 | Catala Egaty | Louworld Floacelel Services Limited World-ide terestreat \$10.75 11.30 Mercury Asset Magt Chennel Islands Ltd. |
| 3.000 | transferab | Peests High Vinis Acc Plus 230 -0.00 Linude Bank Fund Managers (Guernesy) 115 | 57 Marrier 4 57.79 -0.04 0.00 | OK Granti | - Numes Starto | Special Depost DN | L 35100 1700 000 | Empty Mer. \$203.22 213.93 +2.39 Merchary Born Mer 5 \$23.05 30.60 \$.85, Merc Marcy Mor Stg \$34.76 +0.02 4.35 Merc Mer Gold & General \$1.00 1.90 +0.61 |
| | 9 \$20.915 20.918 +0.935 4.24 m Mpd 4 889016 72.827 -0.351 3.53 Weeked 4 75 30 22.355 -0.05 4.85 | Option Francisco (1997) 12.50 12.5 | 57 Band A | Stager & Priodization law Fands Ltd (d) 21 Mar Street, Barcelopain, 822M 446 (277–125 825 14 Spay Sames 49; 1771.64 - 0.05 43 UK Spay Sames 49; 1855.64 - 0.05 43 UK Spay Sonos 49; 185.76 - 0.05 43 UK Spay Sonos 49; 187.78 - 0.05 43 | 00 AGS Personal ASS - AS | Managed Carracy | Jama Engle Compana. 5 159:199 - 2000 0.00 Starling Bond 3 1:2250m - 8000 0.15 US District Bond - 3 1:2250m - 8000 0.15 US District Bond - 3 1:2570m - 9000 0.49 Gobal Synd - 3 1:2670m - 9000 0.49 Gobal Synd - 3 1:2670m - 9000 0.77 Un Bond - 3 1:2670m - 9000 0.73 European Bond Fund - 3 European Bond - 3 European Bond Fund - 3 European Bond Fund - 3 European Bond - 3 E | Hercary International law Tot Ethi Cord Europe Rd |
| | ************************************** | Microll Lynch Gonemony Bergleth Nor 5 | Company Comp | UK Eputy Income | 20 Novi School St. Communication St. Communicati | Brand USS | John Greett (Changel Islands) Ltd (1080); AB Ha, Creette St. St Heler, Joseph St. St. A71220 Haston Harrow Pp. \$4538 15.470 -0.080 0.00 Shift Start for Ltd Food Court Rustland | Pacific Fel. 286.46 19328 +0.80 Repurse Fel. 2938 51.83 -0.06 Repurse Fel. 1938 Repurse Har 6 |
| | # GMG 1 MUSE 0.0721 -0.0831 0.00 | Late Ann Cop (1978 B. am 5) \$12.36 | | Doint Supervis | # At Baccan Commelly Food Ro # 100/ Foo 25 | Approprie Dir | Defer Cosh | Howton Fishel Managers (CI) Ltd Dagerske Manay Ltd |
| | Amone See Con | | | Corposite Income — 45 106.58 — -0.05 = 10.05 = | 77 terry Europea Emply | Apprenie P. 215.784 18.503 -0.072 - Brisnes C. 214.73 15.066 -0.072 - CREOUS P. 272.73 12.762 +0.033 - Druf E. 272.76 12.265 -0.043 - | IK High Income 512 | Perpetual UT Magra (Jarrey) Ltd Perpetual UT Magra (Jarrey) Ltd Perpetual UT Magra (Jarrey) Ltd |
| Section of the sectio | | Nov Counting Fd | TT Serveur Generick A. 11.56 1.104 — 0.00 ST German Convols A. 22.51 2.84 — 0.00 ST German Generick A. 21.25 — 0.00 ST German Generick A. 21.25 — 0.00 ST German Generick B. 22.55 — 0.01 ST German Generick B. 22.55 — 0.01 | 131 Par | - Incontract Cymeric Children Child St. 1.255 Incontract Children Chi | Nichard & Approxime | Hill Samuel Fund Highs (Jay) Ltd (1980) 70 Des SS, Bood Street, St. Heint, Joseph 91554 604514 508 Fash 14 — 3 7 100 1.464 -0.002 9 10 10 200 508 [Bas. 3 2 7.13 1.19 0 40.02 410 10 200 508 [Bas. 3 2 7.13 1.19 0 40.02 410] | Minors Energing Cos. 57 2589 8 3517 - Values For Cast Gold Fd. 53 2785 5 3461 - Micharle Intl Gotts Fd. 58 8256 7 2542 - Septem Japanese Arts Fd. 50 8579 10 8055 |
| 65.00 60.00 | ************************************** | Paragon Apact Managorness Lin Paragon Cap App Ri List. 8116.0747 Rothschild Asset Managon (CI) Libi | ET German Growth B | Artice 45 S1-27 -0.01 Article 45 FF-7.51 -0.07 Armicina Grando 45 140.57 +0.00 | - No let 1 - 25.60 | Samsang Yamaichi Asia Greeth Fund Pic | Shrifty Managed. 2 277.59 30.80 +0.07 | Misham UK Growth Rd. \$4,5048 4,7973 Record Are Sauthy May 57 0659 2,00173 Misham Lim Arm Gardy \$1,2699 1,3496 Mindre Europein Galls Rd 53,1355 3,3321 |
| | was can plant backin manual to | Recharge Calm Jan Argum. \$17.52 18.43 +0.41 9. First January Chair Tan 1987 0. \$10.000 10.5164 +0.002 7.35 First January Calman 510.757 11.111 +0.0028 9.01 First January Informational Junity Funds | 17 (20 R | American Growth 42 0miles -0.91 American Growth 42 7m344 -1.20 American Growth 42 52.33 -0.01 American Growth 42 FF173.88 -0.05 | - Emerging Market Growth Fund Pic | Saudi International Inv Co Pic Robal Equity | Distriction in the Control of the Co | Royal Bit of Scotland Fd Magra (Jorsey) (M stry Grants Read 22 52 52 77 13 over Agencies Rytisto £10 46 11.03 13 |
| | val fames, in Tractics, 3: Point Port (1746) 72463 and Salard Investment Tract List Tall Active F | | ST Houge Room 8 | Suppose 42 191.22 -0.67 European 42 1984.29 -0.67 European 41 ₂ Parti7.3 -0.60 | F.LT. (pressiment Trust List (p) F.LT. Cards Ins | Scottlick Amicrobio European/International Advantura P | North Apportune 4 211.75 12.30 +6.05 0.00 5 | oven Delegene Pieto \$10.50 11.03 punt Caleghin Pieto Lid. \$11.32 11.80 punt Caleghin Pieto Lid. \$13.50 11.40 punt Caleghin Pieto Lid. \$13.50 14.4027 punt Caleghin Pieto Migent (Jersey) Ligh |
| | 10,50 | Japan Fand | AT Paragraph Paragraphs 30.00 00.00 | Emplem 46 PK-18-50 -0.22 Comment of PK-18-50 -0.22 Com | Frient Harlet Food Pic 2 205 \$102.43 \$100 Franklindes breedmark Nigot (brilling) Ltd | Compression F | Literatus Barank (CT) LVT Migra. 5 PO Bios 195, 57 Heater, James 9:554 294242 10 Literatus Tys. (St | out Africa Hodge (UFC) . \$11.28 11.50 -0.46 self-cone; High Self (UE) . \$10.11 10.14 +0.01 TSB France Managery (CS) Ltd |
| *** | Type Mater F | (Inche) Spally Ford | | Closel Beart | S Magical | Advantanted USS | PO 90: 25, St Hatler, Jamey 01534 606000 | Sa labori Peraton 796.2 538.2 -1.4 stant Equity Acc 138.7 147.1 -0.2 - (MB Asset Management (Jacob) Ltd |
| 新 | Martina Dellar de F (n. 1998, 1999 - 1997) - 1997 199 | Economic 98,365 +0.004 -0.004 -0.004 -0.004 -0.004 -0.004 -0.004 -0.003 -0.004 -0.003 -0.004 -0.003 -0.004 -0.003 -0.004 -0.003 -0.004 | | Carractic Carrac | - Jonn Egyly (s) | US Deposit | Em | in SDE in Name Tourne 1800-15 7024 55 |
| Mary Control of the C | Property | Engaging Markett 510.428 40.074 UK Plend Internal 510.428 40.072 Good Fand Internal 510.679 40.072 | TI Japan Sin Con B | | Fresh Kurat Field 57.23 +0.07 - | Startistans (for Tarting) - 17453, 17 101.23 0.22 - DM (pysosisci. DM: 1398 - 0.012 - DM: 2591 - 1279 - 10025 - DM: 2591 - 1279 - 10025 - DM: 2591 - 1279 - 1004 - DM: 2591 - 1745 - 1745 - 1745 - DM: 2591 - 1745 | Hamilia (Abbassa) Grando Pisado († | Archie Citotel Even Maios 570 27 16 35 |
| The state of the s | ************************************** | Surface Cach Synthesis 40000 | 61/47 1EJ4 -BAO DED | IK Streets 42 First 14 4.11 24 (K Streets 14 14 14 14 14 14 14 14 14 14 14 14 14 | Ruico Guine Paral | Decardo Roma | 150 | LUXEMBOURG |
| | 10 Cas 6 0 2012 225 1271 1272 1272 1272 1272 1272 127 | UK Capital Squarth F12-028 +0.053 +0. | T Labo America 8 | R. Strong Lames. 40 Print 1 40 15 66 16 16 16 16 16 16 16 16 16 16 16 16 | | | Section (Section 1972) \$17.00 110.76 - 4150 - 6 Section (Section 1972) 22.071 23.61 -8.013 6.11 Section (Section 1972) 22.651 22.44 -0.678 5.04 | SIB RECOGNISED) Lat Natus Balling Brying - Ar Ying Bago Noo Patro - 4r |
| | 1000 | Jammaticus Capital Genetis - \$12.977 40.071 Guegana Chainia Genetis - \$57:13.640 -0.065 Eugana Barrachia: 4 (8): 57:12.776 -0.065 John Capital Scoretis - \$10.776 40.004 | Talpin America SSEA - 4.00 | Investment Taget | Sempore Holly Inc. 11/2/14/00 | Feet Book 5 | US Delar Book 52 S1000 1608 -U.004 4.79 Demonstrate 0 CS2 80 +4.01 5.00 A 1008 100 | Bill AMERO Francis (ed) Res Jann Nover, 1-2-100 Lindenbourg 352-42-69-6035. |
| 1 | 49 (Scharpery) Lad chamba, The Broops, St. Peter Port 01481 172963 and Shade (4 | Reyal Sank of Caracte led Monty Market Fd Name Visit Fine 195 Actual Caracter 21 1782 1884 1881 25 1885 1886 1888 | # 1907 A \$12.20 12.65 40.05 0.00 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 7 Hartonier Place, Darbin 1 IX Spain 21.3012 | | Strys Global Stript Ship Stript Ship Ship Ship Ship Ship Ship Ship Ship | Sering | #th America: Equally |
| | ### 1986 1.0 1 | Fig. Copins Services Fr. 2022 40.005 Belancost Incomes Brown Fr. 2023 40.005 Belancost Incomes Brown Fr. 2023 40.005 Belancost Incomes Brown Fr. 2023 40.001 Belancost Incomes Brown Fr. 2023 40.001 Belancost Incomes Brown Fr. 2023 40.001 Belancost Incomes Fr. 2023 40.001 Bel | 1 Marie Marie 1 Mari | IN. | - Biopol Franchis Fo Pa. 819.77 8.00 6.0 | Societa Garantie Group Strain Summa Druptes Y1013035 & - | Early Company Compan | Bill AMRIO Francis (n) |
| | Special Commissions (Common) 114 Special Common Charles (Common Charles | SHF ASSAN CROSS | T Technology 6 27 LP7 -0.53 0,000 17 Telecommunications A 57 LP 12.14 +0.65 0,000 17 Telecommunication A 51 LP 13.04 +0.05 0,000 17 Telecommunication A 51 LP 13.04 +0.04 0,000 17 Telecommunications B 57 LP 14.04 +0.05 0,00 | Agentini Starry Boats 2044 Spatial 2044 Spatial 2044 Spatial 2041 Spatial 2044 Spatial 2042 Spat | ST Clicket ST School 18 2004. ST7.48 1828 -0.04 4.50 ST School 18 2004. ST7.48 1829 -0.04 4.50 ST School 18 2004. ST7.48 1829 -0.02 6.50 ST School 18 2004. ST7.48 1829 -0.02 6.50 ST All 18 2004. ST SCHOOl 18 2004. ST SCHOOl 18 200 ST All 18 2004. ST School 18 2004. ST SCHOOl 18 200 ST All 18 2004. ST SCHOOL 1 | Society Generatic Group Struct House Decelor - 1/1013025 50 STAN London Decelor - 1/1013025 50 STAN London Decelor - 1/107725 50 STAN London Decelor - 1/107725 50 - 1/107725 50 STAN LONGON - 1/107725 50 - 1/107725 50 STAN LONGON - 1/107725 50 STAN LONG | | Primary Boad B. Burnin 11139 pain Band |
| | 614 1417 -0.01 677 51613 10.14 3.82 | Tigo Access Chief Y1 2002 Yigo Datatis Chief W0.5987 | 77 Telegonomonistation II (17.00 +0.00 0.000) | 100 H 206 6465 | | \$1000 | | |
| | 2 to 100 | 1 | - · . | | • | | • | |

Section.

13 111.5 84-14 4167 101-13 100.2 137-43 100.2 137-43 100.1 24-24 100.1 24-47 1735 - 37-67 1735 - 17-68 1735 173

LONDON SHARE SERVICE ALCOHOLIC BEVERAGES Hother Price | Hother 1二二種様なる 12 日本地一路 ENAL MALE AND MALE AN がいっていた。1日のからのでは、100mのである。 100mのでは、10 4|| 화다하는 || 14 1 교육하는 회사 하는 나는 || 이 화다 하는 14 1 15 1 1 기 화다 회사 HATELEE PERSONAL SERVICE SERVI STATE OF THE PARTY では、「一位は近代では、「一般」では、現代であって、これでは、 では、「一位は近代では、「一般」では、現代であって、「一般」である。 BANKS, Brant-terrenson 是一种,我们是一种,我们是一个,我们就是一个,我们就是一个,我们就是一个,我们就是一个,我们就是一个,我们也是一个,我们是一个,我们也是一个,我们也是一个,我们 第一个时间,我们是一个,我们是一个,我们就是一个,我们就是一个,我们就是一个,我们就是一个,我们也是一个,我们也是一个,我们也是一个,我们也是一个,我们也是一个, Antonico III de la Companya de la Co 12.6 113.6 163.0 153.1 153.0 1 INVESTMENT TRUSTS 22 100 | 45 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 Industry South Cold. 1 1981, 1 FOOD PRODUCERS 7. 21. PUUD PHEUR.
4. 2.7.
4.3. 11.5
4.3. 11.6
4.3. 11.6
4.3. 11.6
4.4. 11.5
4.5. 11.6
4.5. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4.6. 11.6
4 BREWERIES, PUBS & REST क्षा || क्षित्र मिन्द्री || मिन्द्रम् | क्रिक्ट्स् में | 。 1967年,1968年的1967年,在中国中国的中国中国的特别的中国的特别的中国的国际的特别的中国的特别的中国的特别的特别的一种的人的对象的特别的一种的人的对象的 是一种,我们就是一种,我们就是一种,我们就是一种,我们就是一种,我们就是一种的,我们就是一种的人,我们就是一种人们就是一种人,我们就是一种人,我们就是一种人,我们就是一种人,我们就是一种人,我们就是一种人,我们就是一种人 DIVERSIFIED INDUSTRIALS The Royal Opera 참고사자 SAL ME

是是这种,我们就是这种,我们就是这种,我们也可以是这种,我们就是这种,我们就是这种,我们就是这种,我们也是这种,我们也是是这种,我们就是这种的,我们也可以是这种的, 第一条,是是是是是一个,我们就是是一个,我们也可以是是一个,我们就是一个,我们就是一个,我们就是一个,我们就是一个,我们就是一个,我们就是一个,我们也可以是一个

عدا من الاص

*** 7 to 15 to 15

PART OF THE PART O

Facility

ingen in Regent in

..

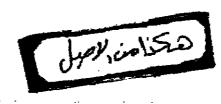
Section 1997

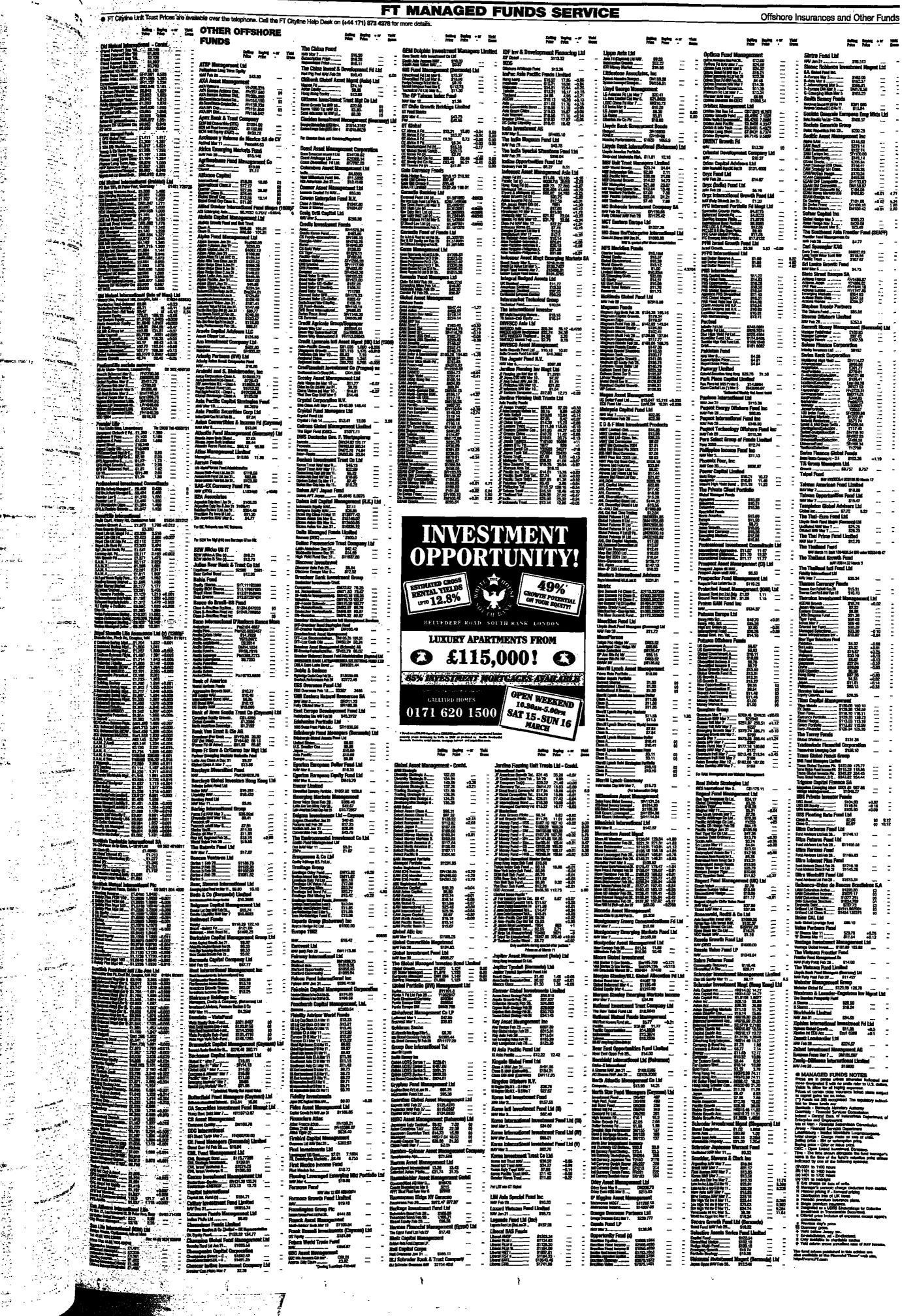
727 A--

L State of Table 2

V.

5- **17**





LONDON STOCK EXCHANGE

Market takes a breather after recent surge

MARKET REPORT By Steve Thompson, UK Stock Market Editor

A hangover from the programme trade executed late on Tuesday and Wall Street's rather stodgy showing brought a halt to the London market's run of six consecutive gains.

Not every FTSE index lost ground on the session, however. The SmallCap, which outpaced its senior brethren during February in terms of total return, moved ahead smoothly to yet more intra-day and closing highs, finishing a net 8.3 up at 2,374.2, after a record of 2,375.2.

The FTSE 100 index, on the in Iceland, the frozen food group. had very little impact on sentiother hand, spent a much quieter session than of late, eventually settling 21.8 off at 4,422.3, while the FTSE 250 struggled manfully but never managed to claw its way into positive ground. It closed down 4.3 at 4.725.1.

Helping to depress sentiment in London yesterday was a handful of rather disappointing company news items from FTSE 100 stocks such as Schroders, Reed International and Rentokil.

There was no shortage of excitement in the dealing rooms, with a big placing of BSkyB shares catching the eye during another share buy-back, this time January, was as expected and hours.

sizeable downside pressure from the day, closing down 9 to 15 the big institutions, just a steady stream of selling from small institutions and private investors.

"The big funds have held off to see how the market will develop in the wake of the slightly worrying tail off of demand on Wall Street," one dealer said. Others said Wall Street had

begun to run out of steam and that global markets would respond accordingly.

The day's economic news, tion unchanged and manufactur-

Dealers said there had been no ment. Gilts fell away throughout ticks at the longer end.

The day began on a subdued note, with marketmakers taking avoiding action in the wake of the programme trade activity and because of Wall Street's quiet performance, and nudging share prices lower.

With the programme overspill largely cleared in the morning. the market began to rally before sliding afresh on hints that Wall Street would open lower. The which showed industrial produc- Dow did fall in early trading but was never under any real presearly exchanges and news of ing output up 0.3 per cent during sure during London trading

Midland Independent

News, the newspaper group

which has been buoved by

takeover talk, rose 5 to 155p

after announcing a 4.7 per

cent profit rise to £16.6m in

1996, in spite of a £3.3m rise

in newsprint costs. The com-

pany said prospects for 1997

had been boosted by a stronger portfolio of titles and a

Argos weakened 5 to 664p,

with fears that it would fall

out of the FTSE 100 con-

firmed after the market

closed. N Brown, perceived

business, slipped 7 to 381%p.

Pharmaceuticals stocks

suffered after US selling.

Zeneca had been up earlier

but a recommendation from

Lehman Brothers was not

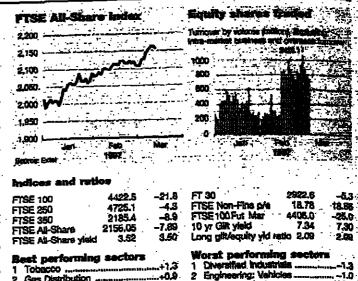
enough to counter the US

Dixons eased 9 to 514%p.

fall in newsprint prices.

The day's corporate results were mostly badly received. Rentokil shares slid almost 10 per cent amid worries about a slowdown in organic growth, while concern that its new equities business might soak up cash saw Schroders' shares on the back foot. Worries about sterling's sharp rise proved a drag on Reed

International. Elsewhere, the bought deal in BSkyB shares engineered by BZW, which saw the securities house place 1.1 per cent of the satellite group at a tight discount to the market price, netted the risk-taker in excess of £800,000. Turnover at 6pm was 929m



1 Diversified Industrials 2 Engineering: Vehicles +0.6 FUTURES AND OPTIONS

-25.0 -25.0 -25.0

+5.0 +5.0

IN FTSE 100 PRIDEX OPTION (LIFFE) (4420) \$10 per full index point

AAGE O 4427.5 4453.0

4740.0 4740.0 4763.0 4763.0

High

4430.0

4450.0

4740.0 4783.0

Low

4401.0

4740.0 4762.0

Growth fear at Rentokil

By Peter John

Rentokil, the business services company that has been one of the nineties' wonder stocks, caught a distinct chill.

The shares were already off their 489p closing peak achieved on February 12. And, yesterday, they fell 6 per cent more to close a net 42% off at 415%p, the biggest drop in the Footsie. Turnover of 25m shares was one of the heaviest on record.

Profits were up 48.2 per cent but they were still at the bottom end of forecasts and the feeling was that the improvement merely reflected last year's acquisition of BET. There was even a suspicion that the comnany might have gone exorganic growth and would

have to rely on acquisitions. Additionally, the shadow of sterling hung over the figures. Rentokil said the rise of the pound at the end of 1996 had reduced last year's sales by £15.4m and profits by £3.2m. It added that 1997 profits would be reduced by around 5 per cent if sterling continued at current levels.

A similar story emerged at Reed Elsevier, which said headline earnings could be depressed by 5 per cent if sterling's strength continued throughout the year.

Reed noted, however, that although sterling would hit earnings per share of Reed International, it would have a correspondingly favourable effect on the guilder earnings per share of Elsevier.

expected and unveiling a share buy-back of 35 per cent of its ordinary shares at the equivalent of 105p per share and 37.5 per cent of its convertible preference shares at 96p per share. Iceland hardened 12 to 99%p with one analyst suggesting the price rise provided a good selling opportunity.

Analysts said that interest in the buy-back masked results which were lower than expected. One analyst said the buy-back increase the risk profile of the food retailer. He said: "It raises the gearing and brings the interest cover down. Iceland is a cash generative business but that depends on maintaining operating margins at current levels." Another analyst said that the financial re-engineering "made no difference to deeply gloomy prospects for sales growth and operating margins" for a frozen food business in a difficult market niche.

The retailer's plans for home shopping were not greeted with any enthusiasm. Another analyst described the economics of the business as "pie in the sky". Most forecasts were

J. Sainsbury bounced 5 to 315p and Asda strengthened 1% to 111%p.

BSkyB, the satellite televi- a penny to 632p on turnover sion group, was actively of 37m. traded as BSB, the holding company 94 per cent owned by Granada. Pearson and Pathe-Cinema, sold 1.1 per cent or 19.6m shares.

The proceeds will be used The shares fell 17 to 1,1561/sp. The market was taken by to permit a proposed surprise by Iceland announcing results earlier than and loan capital to enable shareholders other than Granada, Pearson and Pathe to sell their BSB holding. The plan is that Granada, Pearson and Pathe will own 100 per cent of BSB, which has no plans to sell any further BSkyB shares. It appeared that the shares as a front runner to buy

were sold by BSB at 623%p Freemans, the mail order to the broker, which sold 15.5m on at 628p, allowing a 4½p turn and leaving some shares on the books. BSB now owns 230.6m BSkyB shares - around 12.8 per

The underlying shares fell

| L1 30 IU | VEX | | | | | | | | |
|------------------|---------------|------------|-------------|----------|------------|------------|--------|--------|--|
| | Mer 12 | Mar 11 | Mar 10 | Mar 7 | Mar 6 | Yr ago | "High | Low | |
| FT 30 | 2922.6 | 2927.9 | 2931.4 | 2920.3 | 2911,5 | 2736.6 | 2931.4 | 2668.8 | |
| Ord. div. yield | 3.85 | 3.84 | 3.85 | 3.87 | 3.89 | 3.95 | 4,22 | 3.76 | |
| P/E ratio net | 18.04 | 18.09 | 18.07 | 17.97 | 17.88 | 16.50 | 18,09 | 15.80 | |
| P/E ratio nª | 17,82 | 17,87 | 17.84 | 17.75 | 17.66 | 16.18 | 17,87 | 15.71 | |
| FT 30 since comp | ilation: High | 2931.A 11/ | /03/87; lou | 48.A 26K | 18440. Bas | o Date: 1/ | 7/35 | | |
| FT 30 hourly | changes | | | | | | | | |
| Open 9.00 | 10.00 | 11.00 _1 | 2.00 13 | LOO 14J | DP 15.0 | 16.00 |) High | Low | |

2024.6 2025.5 2030.8 2025.1 2026.8 2027.3 2026.3 2024.6 2020.8 2002.3 2019.4

| | er 12 Mær 11 M 135.5 1135.5 | | | | "High 1140.4 | "Low" 965.7 |
|--|--------------------------------|----------------------|--------------|----------------------------|----------------------------|----------------|
| Equity bargainst Shares traded (mil) †Excluding intermarks | | NA NA tumover. | NA NA | 748.4 | 804,6 | 866.1 |
| SEAO bergains Equity turnover (2) | | 58,920 NA | 56,969 NA | 52,770 2189.2 39.653 | 55,031 2475,3 47,458 | 1961.7 |

| Rises and fails" | _ | 52 Week Highs | and lows | LIFFE Equity opt | ione |
|---|--------------|---------------------------|-------------------|------------------|----------------------------|
| Total Pises Total Palls Same Mar 12 'Data ba | 589 1,265 | Total Highs Total Lows | 1 89 18 | Total contracts | 45,324 21,062 24,262 |

expectations. Schroders E FTSE 100 INDEX FUTURES (LIFFE) \$25 per fult index point

Lehman gave Zeneca an "outperform" rating and a price target of £20. Glaxo Wellcome came in for profit-taking following a sparkling post-results run over the past few days. The

shares fell 14% to 1,139%p. Meanwhile, Scotia Holdings fell a further 30 to 405p as the shares continued to ful presentati react to news of the compaerated its po internations ny's failure to win approval vailed and th for its diabetes treatment.

Cadbury Schweppes was one of the best performers in the FTSE 100, climbing 141/2 to 555p. Analysts said there was buying from the US where the management of the confectionery and soft mates and a drinks group is currently outlook for making a week-long series of presentations to institutions.

influences and the shares

closed 23 lower at 1,8371/2p.

There was some profittaking in Reckitt & Colman, which slipped 8% to 789p. Market speculation that Unilever might make a bid for Reckitt has largely evaporated. There was also profittaking in United Biscuits ahead of its results. The shares fell 4% to 237%D.

RMC was one of the worst performers in the FTSE 100, falling 29% to 989p after a bout of profit-taking in the building materials group.

BAT Industries, the tobacco and insurance group, gained 7 to 564%p. Merrill Lynch has stressed its "buy" stance arguing that the recent figures were not as disappointing as the market reaction suggested. Shortly before the close, a number of big trades showed up boosting overall volume to 37m. The late activity was believed to be either optionsrelated or tax-related.

Investment bank Schrocautious outlook from the

reported annual profits of £238.7m compared with £197.3m a year ago and analysts' forecasts of between £230m and £240m. A 20p dividend topped expectations of FIRE 250 INDEX FUTURES (LIFFE) £10 per tull todex point

BP came off the day's lows following a trading update described by one analyst as "a very confident and power-

net 8 lower A number

Group after top end of company. TI

| | liter - | % dig | | Year | Cust Q1 | P/E | | rek - |
|--|-------------------------------------|-------------------------|---------------------|------------------------|------------------------------|----------------------|-----------------------|----------------------|
| | 11 | ec day | 10 | a Do | yield % | patile. | High_ | Low |
| Gold Alines Index (32) | 1819.82 | +1.7 | 1789.00 | 2233.23 | 1.69 | _ | 2405.53 | 1674.61 |
| W Regional Indicas | | • | | • | | | | |
| Africa (14) | 2139.37 | +23 | 2082.89 | 3008.31 | 4.22 | | | 1918.45 · |
| Austroliusta (6) | 2075,58 | +0.5 | 2064.25 | 25830 | 242 | 22.25 | 2844.14 | 1941.72 |
| North America (12) | | | 1678.95 | | | | 2134.81 | |
| Copyright, FTSE inter number of companies were unavailable for t | metional Basis US his edition | Limited Dollars L | 1997. A L Best V | il rights Slue: 100 | reserved. F 10.00 31/12/5 | igures I 12. † Pa | n bracks rdel Late | ts show at prices |

Oil Exploration Retailers: Food Food Producers

| tion". SGST reit- sitive stance but I pressures pre- he stock ended a at 702½p. of analysts were e upgraded their estimates for TI r results at the the City's esti- positive trading the engineering I hardened 12 to | Mar 1705- 33- 128 Apr 184 23 144 May 285- 65 12 Mar 285- 65 22 Mar 183 25- 13 Mar 285- 13 Mar 285- 15 Mar 285- 15 Mar 285- 15 Mar 285- 56 27 Mar 181 | 10 76 1342 38 12 33 188 46 77 13 188 46 77 16 57 1882 90 133 17 1412 2522 14 73 1882 90 133 17 1412 2522 14 77 1822 432 433 15 100 DALDEX OF 1275 4522 433 15 12 275 1271 23 39 575 12 50 131 50 1182 12 50 131 50 1182 12 50 131 50 1182 12 13 13 13 13 13 13 13 13 13 13 13 13 13 | 55 51 50 38 121 152; 91 77 115 50½ 142 37½ 107½186½ 132 82½ 158 61½ 78½ 202½225½ TRON (LIFFE) £10 per full int 19 26 38 6 7½ 1½ |
|--|--|---|--|
| • | | | TRADING V |
| RECENT ISSUES t. p. 1996/97 1) High Low Stock | Close price | Net Div. Grs P/E div. cov. yld nat | Major Stocks Vol 000 3† 47 |
| 16 1112 1032 †Anglo-We 1.1 1482 1212 †Antisch 1.8 64 522 †Birmingte | 122 ¹ 2 | 124 - 29 - | Abber National† 1,900 Artsura 611 Albert Pisher 533 Alled Domeout 705 |

| eue fce | | CSEC WOOT | 1996 | | | | price | | Net | DIV. G | | |
|---|--------|--------------|--------------------------|-------|---------------------------|----------|---------------------------------------|--------------------|----------|--------|------|------|
| p | uφ | (Emil) | High | Low | Stock | | <u> </u> | <u>+/-</u> | ďν. | CO!- Y | eg n | at |
| §100 | F.P. | 3,16 | | | †Anglo-We | | 103 ¹ 2 | | 124 | - | 29 | |
| | | 21.1 | 14812 | | Aortech | | 122 ¹ 2 | | - | - | - | - |
| 550 | F.P. | 28.B | 64 | | †Birming/a | | 5312 | | - | - | - | - |
| ş | F.P. | 8.97 | 180 | 128/2 | CALL Publ | State of | 175 | | - | - | - | - |
| ş | F.P. | 1.60 | 11/2 | 12 | Do Werra | nts_ | 1 | | - | - | - | - |
| • | FP. | - | 17/2 | | Cambridg | e Minera | 132 | -4 | • | - | | - |
| | F.P. | 2,766 | 77/2 | | Centrica | | 65/2 | -11 | - | - | . • | - |
| | | 95.4 | 335 | | Core Group | | 326 | -1 +5 | L4.5 | 22 | 22: | ~ - |
| 200 | F.P. | 122 | | | †Dobbles (| | 260 5215 | -2 | W21.0 | | 50 | |
| 325 | F.P. | | | | Starty Gro | | 1885 | ~ | MEIN | جه | 20 | 14.5 |
| | F.P. | 24,5 | | | Grovend C | 9U 9Å2 | | | | _ | - | 1.6 |
| 925 | F.P. | 5.90 | | | Howle | _ | 301 ₂ 1761 ₂ | | - | _ | - | |
| 3120 | F.P. | 34.0 | | | Tiniobenk i Nord Anglo | | 1801 | -4 | W1.02 | 1.6 | 3.1 | 17 N |
| | F.P. | 20,5 | 171 2021 ₂ | | Pszi Group | D | | -20 ¹ - | 5.43 | | 2.6 | |
| ş | | 11.1 | 262-7 6 | | †Screen | | 51 | ٠., | - | | | 23.7 |
| 3 | F.P. | 13.1 | 62l ₂ | | TR Euro G | Ji. 1870 | 801 | 3 | _ | | | |
| 2 | EP. | 29.7 | 12212 | | Technopies | | 1135 | -2 | | | | _ |
| | F.P. | 122.1 | | | Usher Trov | | 12312 | • | W3.5 | 30 | 35 | 11.9 |
| | FP. | 593 | 4312 | | TVFG | in mago | 4112 | | ***** | | | 28.2 |
| | | | | | Placing_pri | | | - Ene | 2 feet 2 | | | |
| PER | | Name of | PA PARE | The L | ondon Sta | m Servic | e CODE | . (G | - | - | | |
| | , Luci | | .,,,,,, | | | | | - | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| 4.4 | | ** | | 413 | S IND | EV | | | | | | |

| | 11 | % chg oc day | | alijo Yeer | gross div yield % | P/E patis | | nek - Low |
|---|-----------------------------------|---------------------------|-------------------|-----------------------|-----------------------------|-----------------------|----------------------|----------------------|
| Sold Mines Index (32) | 1819.82 | +1.7 | 1789.00 | 2233.23 | 1.60 | - | 2405.53 | 1674.61 |
| M. Regional Indices | | | | | | | | |
| Africa (14) | 2139.37 | +2.7 | 2062.89 | 3008.31 | 4.22 | 31.68 | 3252.18 | 1918.45 |
| Australia (6) | 2075.56 | +0.5 | 2064.25 | 2596.30 | 2.42 | 22.25 | 2844,14 | 1941.72 |
| North America (12) | 1702.25 | +1.5 | 1678.95 | 1971-90 | 0.54 | 63.46 | 2134.81 | 1550.58 |
| Copyright, FTSE inter number of companies. were unavailable for the | metional Basia U nis editio | Limeed S Dollars n. | 1997. A Best V | l rights slue: 100 | reserved. F 0.00 31/12/5 | igures i 12. † Par | n bracks dal Late | ts show at prices |

on rising cost worries and a company with annual results at the top of analysts' FTSE Actuaries Share Indices The UK Series P/E Xd ed). Total ratio ytd Return FTSE 250 ex if FTSE 250 ex 11 FTSE 250 FTSE 350 Higher Yield FTSE 360 Lower Yield FTSE SmallCep FTSE SmallCep ex 11 FTSE AM-Share ### FTSE Actuaries Industry Sectors Day's Mar 12 chge% Mar 11 Mar 18 Mar 7 ago yield% cover ratio yet Return -0.4 4130.67 4159.55 4132.56 3264.94 3.84 2.10 16.33 15.36 1811.01 -0.2 4167.06 4096.31 4095.64 4147.32 3.90 2.33 13.76 0.00 1239.05 -0.5 4247.22 4287.03 4256.51 3305.98 3.85 2.08 15.81 20.17 1912.60 10 MENERAL EXTRACTION(20) 12 Extractive industries(5) 15 Oil, integrated(3) 16 Oil Exploration & Prod(12) +0.7 3532.09 3592.04 3561.94 2248.94 1.54 1.88 43.25 0.00 2158.08 2063.75 -0.4 2071.14 2066.38 2052.08 2064.89 3.83 1.90 17.19 5.65 1157.94 1371.16 ... 1370.54 1369.74 1370.04 1132.10 3.00 1.78 23.43 1.89 1172.48 1917.04 -0.7 1930.99 1331.30 1926.15 1837.80 4.16 2.54 11.84 1.00 991.26 2378.66 -0.2 2383.86 2377.49 2359.58 2556.76 4.40 1.56 18.26 24.63 1166.94 20 GEN INDUSTRIALS(272)

|] 23 Chemicals(20) | 2378,66 | ~0.2 2363.86 2377.49 2359.58 2556.76 | 4,40 | 7.56 | | | 1165,94 |
|--------------------------------|----------------|---|---------------|-------------|---------|---------------|---------|
| 24 Diversified Industries(16) | 1578.24 | -1.3 1596.75 1594.72 1566.07 1773.17 | 4.55 | 1.80 | 15.23 | 4.02 | 914.19 |
| 25 Bectronic & Bect Equip(39) | 2288,34 | +0.4 2279.13 2276.48 2277.92 2308.12 | 3.42 | 1.51 | 24.12 | 1.74 | 121625 |
| 26 Engineering(70) | 2651.12 | -0.1 2654,97 2643,37 2614,98 2332,22 | .3.16 | 244 | . 16.21 | 7.09. | 1644.88 |
| 27 Engineering, Vehicles(13) | 2956.59 | -1.0 2985.50 2971.57 2952.70 2758.38 | 3.74 | 0.19 | 60,001 | 3.02 | 1563.20 |
| 28 Paper, Pcks & Printing(27) | 2597.20 | +0.1 2594.31 2587,75 2592,04 2699.36 | 4.02 | 201 | | | 1108.49 |
| 29 Textiles & Apparel(14) | 1082.89 | +0.1 1082.26 1077.86 1073.87 1480.73 | 6.51 | 1.32 | 14.55 | | |
| | | | | | | | |
| 30 CONSUMER GOODS(RS) | 4257.48 | -0.2 4268.77 4243.74 4199.44 3453.17 | 3,54 | 1.87 | | | 1615.45 |
| 32 Alcoholic Beverages(7) | 2851,95 | +0.2 2845.96 2874.69 2882.85 2765.82 | 4.53 | 1.87 | | | 1088.28 |
| 33 Food Producers(25) | 2901.61 | +0.5 2896.35 2870.90 2850.00 2541.93 | 3.79 | | . 17.77 | | |
| 34 Household Goods(17) | 2858,51 | -0.5 2873.60 2886.84 2895.52 2436.10 | 3.54 | 2.25 | | | 1154,64 |
| 38 Health Care(16) | 2190.42 | -0.1 2191.78 2206.31 2213.54 1924.67 | | | 24.01 | | 1358.23 |
| . 37 Pharmaceuticals(18) | 6727.50 | -0.9 6791.85 6719.03 6811,48 4824.26 | 273 | 1.86 | | | 2329.91 |
| 38 Tobacco(2) | 4703.67 | +1.3 4841.49 4608.23 4578.07 4273.56 | <u>5.76</u> . | <u>1.85</u> | 11.75 | <u>0.00</u> . | 1211.27 |
| 40 SERVICES(273) | 2701,61 | -0.4 2711.45 2707.91 2703.64 2350.54 | 2.83 | 1.98 | 22.36 | 8.71 | 1437.41 |
| 41 Distributors(30) | 2788,18 | +0.3 2778.37 2778.76 2788,95 2825.42 | 3.07 | 1.99 | 20.43 | 6.60 | 1049,98 |
| 42 Leisure & Hotels(\$1) | 3620.16 | -0.4 3636.30 3611.46 3614.22 2913.07 | 2.51 | 1.71 | | | 1984.68 |
| 43 Media(44) | 4418.75 | +0.2 4409.63 4391.61 4374.30 3889.11 | 218 | 2.08 | 27.58 | 11.55 | 1622.80 |
| 44 Retailers, Food(15) | 1956.49 | +0.6 1954.50 1963.51 1967.65 1889.48 | 4.02 | 2.29 | 13.57 | | 1283.19 |
| 45 Retailers, General(53) | 2083.33 | -0.6 2095.81 2102.64 2098.31 1948.76 | 3.13 | 2.02 | | | 1221.17 |
| 47 Breweries, Pubs & Rest.(22) | 3428.54 | +0.1 3426.45 3403.04 3394.78 2968.63 | 2.17 | 2.10 | | | 1691.27 |
| 46 Support Services(56) | 2993.00 | -2.4 3068.08 3044.40 3031.90 2091.25 | 1.78 | 2.58 | 27.67 | | 1934.44 |
| 49 Transport(22) | 2881.66 | -0.6 2899.82 2914.28 2915.96 2374.87 | 3.37 | 1.28 | | £35 | 1234.54 |
| 80 UTILITIES(31) | 2737.78 | | | _ | | | |
| | | -0.6 2761.40 2780.96 2765.44 2440.83 | 4.89 | 1.50 | | | 1244.23 |
| 62 Electricity(10) | 2918.52 | -0.6 2935.09 2934.32 2934,34 2687.94 | 580 | 2.20 | | | 1612.02 |
| 64 Gas Distribution(2) | 1549.39 | +0.9 1585.83 1582.84 1613.81 1549.85 | 7.87 | # | | 0.00 | 847.78 |
| 66 Telecommunications(8) | 2302.56 | -0.8 2320.66 2331.28 2313.57 2018.69 | 3.63 | 1.58 | 22,02 | | 1087.18 |
| 88 Water(11) | <u>2582.59</u> | -0.2 2588.90 <u>2581.52 2559.61</u> 2148.07 | 5.77 | 2.33 | 9.29 | 0,00 | 1493.60 |
| 69 NON-FINANCIALS(681) | 2207.07 | -0.3 2214,73 2213,08 2201,27 1935.64 | 3.58 | 1.86 | 18.78 | 6.57 | 1725.68 |
| 70 FENANCIAL S(106) | 3980.45 | | | | | | |
| | | -0.5 4000.22 3989.15 4002,03 2743.84 | 3.55 | 241 | | | 1775.54 |
| 71 Banks, Retall(8) | 5786.45 | -0.7 5829.52 5811.86 5817.64 3788.72 | 3.48 | 2.85 | | | 1985.05 |
| 73 Insurance(18) | 1763.51 | +0.4 1755.19 1749.01 1770.01 1342.48 | 4.89 | 2.31 | | | 1380.70 |
| 74 Life Assurance(?) | 4722.75 | -0.1 4725.86 4702.11 4775.48 3834.20 | 3.41 | 2.13 | | | 2007.94 |
| 77 Other Financial(29) | 3328.94 | -0.6 3348.77 3350.78 3348.47 2492.44 | 2.88 | 2.42 | 17,38 | 15.87 | 1955,43 |
| 79 Property(44) | <u>1918.87</u> | -0.3 1925.60 1925.26 1920.24 1425.48 | 3.30 | 1.32 | 26.71 | 3.69 | 1215.21 |
| 50 INVESTMENT TRUSTS(127) | 3397.15 | 3397.38 3380.56 3368,73 3052.48 | A += | | FA 67 . | | -00-00 |
| | | 008/.00 0000.00 0000,/g 0002,40 | 2.13 | 1.77 | 52.57 | 10.20 | 1207,05 |
| 89 FTSE All-Stare(914) | 2156.05 | -0.4 2163.94 2161.13 2153.44 1811.24 | 3.52 | 1,98 | 18.12 | 9.67 | 1879.40 |
| FTSE Fledaling | 1345.93 | +0.1 1344.95 1342.99 1340.39 1149.53 | 2.91 | 0.75 | E7 90 | E 10 | 1437.60 |
| FTSE Fledgling ex IT | 1366.75 | +0.1 1365.97 1364.58 1361.91 1154.63 | | | 55.40 | | |
| 1 | .000.75 | TU. 1309-81 1399-30 1491-21 1104,00 | 3,17 | U.f I | 33.40 | جعم | 1402.19 |
| ł | | | | | | | |
| | | | | | | | |
| ■ Hourly movements | | | | | - | | |

| = | Hourly | moveine: | nts |
|---|--------|----------|-----|
| 1 | | Ореп | 9. |

| | Ореп | 9.00 | 10.06 | 11.00 | 12.00 | 13.00 | 14.00 | 15.00 | 16.10 | High/day Low | r/deg |
|----------------------------------|----------------------------|----------|--------------|------------|------------|-------------|------------|-----------|----------|--|-------|
| FTSE 100 FTSE 250 FTSE 350 | 4432.4 4726.8 2189.4 | 4728.1 | 4727.7 | 4728.7 | 4727.7 | 4728.0 | 4729.0 | 4727.6 | 4725.5 | 4442,3 441 4729,2 472 2193,4 218 | 80 |
| Time of FTSE 100 | Day's Ngh; 9: | 47 AM De | y's law; 4:1 | II PM. FTS | SE 100 199 | 16/97 High: | 4444.8 (11 | ANSIAN PO | K 3632.3 | 18/07/96 | |
| | | | | | | • | | | | | |

FTSE 350 Industry baskets Open 9.00 10.00 11.00 12.00 13.00 14.00 15.00 18.10 Close Previous Change

| Sidg & Constron | 1297.3 | 1297.1 | 1297.1 | 1297.1 | 1296.0 | 1296.2 | 1296.3 | 129A.B | 1295.B | 1295.8 | 1208 7 | -2 |
|-------------------|-----------|-----------------|--------------|------------|-------------|-------------|-----------|-------------------------------|---------|---------------|-------------------------|-------|
| harmaceuticls | 6681.7 | 6705.9 | 6730.0 | RR40 A | 8840 0 | 8842.0 | 8848 3 | CCEA S | 2 81.90 | 9645.7 | 6710.1 | |
| Vater | 2504.0 | 2504.5 | | ***** | OO-0.a | W-2-U | 2070.0 | 000 | . 00-04 | DD40.1 | 67 10.1 | |
| | Z3354,Q | 2367 .3 | 2561,0 | 2578,4 | 2575.0 | 2576.0 | 2576.2 | 2578.2 | 2577.2 | 2577.7 | 2584.1 | -8. |
| Barako, Fletali | 5885.2 | 5899.1 | 5896.2 | 5692.9 | 5888.5 | 5887.2 | 5882 1 | 5881.4 | 5657.1 | 5960.3 | 5903.9 | -43 |
| or further inform | etion on | the FISE | Actuaria | e Share | indines e | loses see | - | E Intons | | D174 445 | 1946 - | |
| he FTSE Actuari | es Share | indices : | an calcul | afterila a | -varos h | م طانسا کا | المدامعون | 10 الولياتا كا مام أمم شمو | | |) IDQV. Sheet be . I | - |
| | | WHITE IN | | of Schie | | to location | نعت كدعت | | CTOS IN | es asmen | NIGOLOGIA NIGOLOGIA | 1007 |
| Flights reserve | of PETLOS | Toront "E | - Control of | | | and modern | 115 G 763 | ₩ (105. ₩ | LISK H | AND PROPERTY. | 5 7 mile 200 | 1001. |
| to region read To | | - <u>e</u> no r | OCIZIO, 3 | Lis acros | mana ci | the Long | ion Stoci | | | - | | |
| achange and Th | e menc | al Times | ROY DOG 1 | mend to 1 | FTSS: lette | لمحجانوهم | - melar | | | | | |

Roance, † Sector PVE relations (these and are used by FTSE International under Roance, † Sector PVE relation greater than 80 and net covers greater than 30 are not shown. ‡ Values are negative. DELETION: Virtuality Group; Millwall Holding & Costain Group (FTSE Fledging).

. .

-55 .42

يتهاج المواجد

** Fe _ -÷

11 pr 11 ag 4 m 1 mg 14 m 1 mg

4 5.4

FT-JAPAN CLUB ANNUAL REPORT SERVICE





Founded in 1951, the Chugoku Electric Power Co., Inc. is one of Japan's 10 regional electric power utilities and maintains its head office in Hiroshima. The Company is a comprehensive supplier of electric power in the Chugoku region, with services encompassing generation mission, and distribution of electricity.

Situated in western Japan, the Chugoku region has a population of approximately 8 million people and covers an area of about 32,000 square kilometers. While maintaining a total commitment to supplying

superior services to its customers, Chugoku Electric will continue working as a responsible corporate citizen to promote regional industrial development as well as cultural, sporting, and other community-related events.



Shiseido Company, Limited, one of the largest cosmetic ies in the world, manufactures and markets a broad range of distinctive beauty and health-care products, including makeup, skin-care products, toiletries, hair-care products, pharmaceuticals and

Shiseido products are available in almost 50 countries sround the world. In Japan, the company also manages restaurants, fitness clubs and fashion boutiques. In fiscal 1996, Shiseido's consolidated net sales reached US\$5,608 million, resulting in net income of US\$175.07 million. Net income per share was US\$0.44 and cash dividends were declared at US\$0.13 per share of common stock, on par with fiscal 1995.

For more information about Shiseido: http://www.shiseido.co.jp/

HITACH



founded in 1910, is to contribute to society through technology. In the 87 years since its inception, the company has become one of the world's leading manufacturers of electrical and electronic equipment, with fiscal 1995 consolidated sales of ¥ 8,124 billion, 866 consolidated subsidiaries, 253 of which are overseas companies, and more than 330,000 employees. Hitachi believes that corporate progress is driven by research and development. Annual expenditure of R&D amounts to over ¥ 490 billion. or about 6% of sales. Hitachi's main products are computers, semiconductors, relecommunication equipment, power generating equipment, industrial machinery and consumer products. Hitschi's shares are listed on eight stock exchanges in Japan and on exchanges in New York, Frankfurt, Amsterdam, Paris and Luxembourg.

TORAY INDUSTRIES, INC.



Toray Industries, Inc., one of the world's largest manufacturers of synthetic fibres and textiles, is diversifying into plastics and chemicals, housing and engineering products, pharmaceuticals and medical products, and new products and other businesses. including carbon fibre and electronics and information-In fiscal half-year ended September 30, 1996,

consolidated net sales rose 10.3% to ¥501.2 billion over the year-earlier fiscal-half, operating income increased 35.9% to ¥32.6 billion and net income was up 51.9% to ¥11.9 billion. For more information, please visit our web site

http://www.toray.co.jp

Please send me these Annual Reports: Tick boxes 🛚

☐ The Chugoku Electric Power Co. Shiseido Company Limited.

Toray Industries.

address in this space. Please use BLOCK CAPITALS

Please attach your business card or write your name and

Mail or Fax to: FT Japan Club Annual Report Service PO Box 384, Sutton Surrey SM1 4XE United Kingdom (Fax. +44 (0)181 770 3822)

MANAGER PROPERTY.

MAN TREATS SITE CAPIL

t ...

Aggrena i de la companya del companya de la companya de la companya del companya de la companya

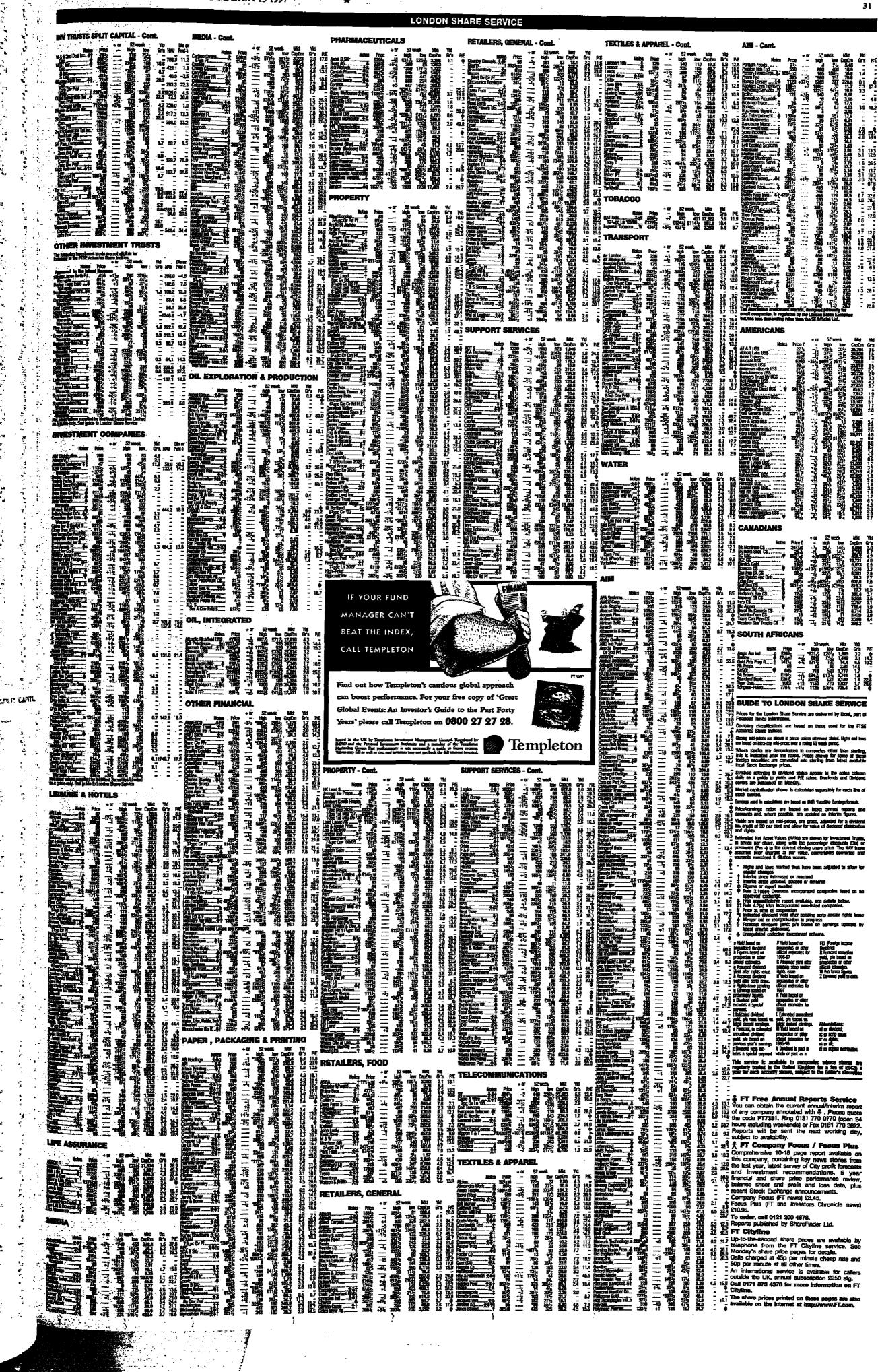
الماري و الماري 1- الماري و الماري الماري

And the second s

inger in andere in andere

٠.

٠.:



gly 80 Hat Cop

35 December 225 0.8 9 1036 13⁵2 December 16 1037 14⁵1 December 10 0.80 3.0 19 242

| Marie | Mari

4 pm close March 12

NEW YORK STOCK EXCHANGE PRICES

12. W Sa Company Sa Co

- D -

Law Stack
24 1 16-2 Crastel
25-2 25-2 Crastel
18 25-2 Crastel
18 25-2 Crastel
18 25-2 Crastel
20-2 13-2 Crastel
20-2 13-2 Crastel
20-2 13-2 Crastel
20-2 13-2 Crastel
20-2 25-2 Crastel
19-2 25-2 Crastel
14 10-2 Crastel
14 10-3 Crastel
17-3 21-4 Crastel
20-4 25-3 Crastel
20-4 25-3 Crastel
20-4 Crastel

\$\frac{1}{2}\frac{1}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac

34-2 27-3 CMS En 1.08 3.4 13 727 324, 37-6 32 117-2 65-5 CMM En 7 147 144, 114 1142 65 66-6 CMS CMS En 1.08 1.9 21 27-15 66 64-9 44 25-5 CMS En 1.09 20 12 5707 52 514-2 185-2 184-2 185-2 184-2 185-2 184-2 185-2 184-2 185-2 184-2 185-2 184-2 185-2 184-2 185-2 185-2 184-2 185-2

| The color of the .1₆ +2 -24

0.54 T.6 22 1318 391₂ 2001 3 1.00 4.7 13 5284 215₂ 254, 177, Englist 2
254, 207, Entre Bess
244, 207, Entre S.
355, Entre S.
355, Entre S.
355, Entre S.
356, Entre S.
357, Entre S - F -

The property of the property o

BE OUR GUEST. RENAISSANCE HOTEL



When you stay with us in ISTANBUL

FINANCIAL TIMES

عجذا من المعلى

- G -

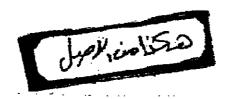
| The content of the

. : -

等の対象の ・ 1000年 ・ 1

to an a second s

AND OFTIONS



| etarraj G | State . | FINANCIAL TIMES | S THURSDAY MARCH 13 1997 [第三卷至传物部可] | □★ | 33 |
|--|--------------------|---|--|--|--|
| · | Street Street Park | Highs & Lows shown | 77- 110 | WORLD STOCK MARKETS -/- High Low YM P/E | e/- Na Les |
| ÷ | | EUROPE ASSITMA 65x 12/Sch) AMBERT 1 201 | Complete | Fig. 19.50 22.70 2.1 13.9 500 22.70 2.1 13.9 500 22.70 2.1 13.9 500 22.70 2.1 13.9 500 22.70 2.1 | 175 184 185 18 |
| OPT4 | 2.0 | #### 551.81 - 50 | Eurobe 4 10.25 - 26 18 8.20 - 662 Horizon 3.750 - 150 420 1200 6.7 - 665 Horizon 3.750 - 150 420 1200 6.7 - 665 Horizon 3.750 - 150 420 1200 6.7 - 665 Horizon 3.750 - 300 1200 1300 5.3 6.2 MORINA 108.20 4-2.90 17.5 15.5 3.9 - 665 27.400 - 1.700 21.00 11.00 3.5 10.5 665 27.400 - 1.700 21.00 11.00 21. | 18 18 18 18 18 18 18 18 | 1846 1957 1958 |
| | | Constitution 10 10 10 10 10 10 10 1 | Segrem 3,198 -223,1882,2710,111,20 300,000 1853 -725,000,113,179 300,000 1854 -90 1,529,113,179 300,000 1854 -90 1,529,113,179 300,000 -0,170,170,170,170,170,170,170,170,170,17 | ## 120 14 12 12 12 12 12 12 12 12 12 12 12 12 12 | 501 |
| - | | 15 Sec 200,000 - 78,01 SC 00 0.3 15 Sec 204,000 + 1,000 20,30 79,000 0.3 15 Sec 204,000 + 1,000 20,30 79,000 0.3 771 789 1.0 1.8.2 60 Darbox 607 - 3 640 200,64 2.5 8.9 Easter 169 + 1 770 98,50 12.5 | Table 2250 -00 2300 38180 67 90.3 Table 9250 -00 2300 38180 67 10.3 Table 9877 -2 877 411 1.5 14.2 Table 9877 -2 877 411 1.5 14.2 Table 9877 -2 877 411 1.5 14.2 Table 987.0 -8.00 488 374 1.8 20.6 Table 480.00 -8.00 488 374 1.8 20.6 Table 547 - 500 482 10.4 9.20.1 Table 548 - 25 527 381 10.3 20.20 Table 549 - 3.5 00 380 00 20.10 3.1 28.2 Table 540 - 3.5 00 380 00 20.10 3.1 28.2 Table 540 - 3.5 00 482 10.3 3.2 28.2 | Service of the control of the contro | 20年 - 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| | | December 1215 25 260 574 20 22 2 2 2 2 2 2 2 | Define 181.50 +1.50 (65.2) 99.50 0.8 — Medical 7.065 -45 13.00 5.745 — Bearm Chromothy, Alloy + 5.00 6.00 30.97 2.9 — Medical 11,444 -97 12.20 7.00 1.2 2.50 Estimate 5.14 +1 52.5 484 1.9 34.5 Monthal 1.237 -61.334 860 -7.01 Estimate 5.14 +1 52.5 484 1.9 34.5 Monthal 1.237 -61.334 860 -7.01 Estimate 5.14 +1 52.5 484 1.9 34.5 Monthal 1.237 -61.334 860 -7.01 Estimate 5.14 +1 52.5 485 1.9 1.9 Monthal 1.237 -61.334 860 -7.01 Estimate 5.14 +1 52.5 485 1.9 1.9 Monthal 1.237 -61.334 860 -7.01 Estimate 5.14 +1 52.5 485 1.9 1.9 Monthal 1.237 -61.334 860 -7.01 Estimate 5.14 +1 52.5 485 1.9 1.9 Monthal 1.237 -61.334 860 -7.01 1.000 435 -7.00 1.2 Monthal 1.237 -61.334 860 -7.01 1.000 435 -7.000 435 1.000 1.000 435 -7.000 435 1.0000 435 1.0000 435 1.000 435 1.0000 435 1.0000 435 | The control of the | 42(11) |
| | | Mark 4890 -804820 90 32 85 1 | ### 80.70 + 20 77 | 1.12 - 2.20 1.13 1.13 2.20 1.14 1.15 2.20 2.20 2.20 2.20 2.20 2.20 2.20 2.2 | Mar 12 / Can S */- lags 12 / Can S */- lags 12 / |
| | | Mar | 1986.97 | 15,460 +40 15,60 17.50 13 Doubles 853 +3 1,220 760 1.0 28.9 Name: 489 -1 635 485 1.6 60.4 Australia para 12.7 Australia para 1 | 9 9-39 4.07 25 10.3 |
| | | Second S | 9.0 9955.00 11/3/97 4594.19 2/1/96 | 2440.21 207.87 225.54 7896 Standard and Poors Composite; 611.34 813.55 804.97 816.29 588.48 813.29 4.40 Colored 5.20 7.15 5.0 | ## 20 950 |
| The second secon | | retand \$40 to self-V-W89 3655.51 \$058.63 \$008.53 \$1008.54 \$1008.64 \$1008. | 76 13668.28 201/87 10204.39 21/96 Tillwarn Weighter T. (306/66) 8256.07 8246.64 6174.18 825 174 4088.28 18/998 27/9506 41/296 Tillwarn Weighter T. (306/66) 8256.07 8246.64 6174.18 825 174 4088.28 18/998 27/9506 41/296 Tillwarn Weighter T. (306/66) 8256.07 8246.64 6174.18 825 174 4088.28 18/998 14/999 14/999 14/ | Company Comp | by East, part of F7 Intrinsions on the page are as quanted on the ope and are county had treated upon the mostly had treated upon the mostly had treated a fortisting a fortisting and the second of the second and mostle of any the page and a figure to get of the commit annual reports of any to page and a figure to get of the page and a figure to get the page and the page annual to the page any the page and |
| Maria Play In Indiana | | BAX 4er : 3435.0 3388.5 -41.5 8 | # SOFFEX 3445.5 3378.5 29.487 - Mar 4894.0 4672.0 -1.5 4718.1 | | m 744 -20 m 1020 +10 m 635 -1 m 292 +1 |

Dow trades quietly Hoechst dives after HMR decision ahead of Fed report

US shares were flat at awaited for guidance on income of \$1.38 per share, 4 interest rate policy from the cents below estimates. afternoon release of the Federal Reserve's Beige Book, writes Lisa Bransten in New

At 1pm, the Dow Jones Industrial Average was off cent below results for the 6.54 at 7.078.62. The Standard & Poor's 500 shed 2.68 at 808.66 NYSE volume was 259m shares.

Technology shares were mixed with the Nasdaq composite off 4.48 at 1,312.28, while the Pacific Stock Exchange technology index edged up 0.1 per cent.

was the mid-afternoon \$31% on news that it had release of the Beige Book, a report on the state of the economy prepared in advance of meetings of the Fed's Open Market Committee. Economists remained divided about whether the FOMC would raise rates at sliding lower on the back of from today. its March 25 meeting.

Among individual shares, General Milis slipped \$11/2 or reporting third quarter earn- 6.271.50.

ings of 78 cents per shares. in line with expectations. Toys R Us shed \$% at \$281/4 midsession as investors on fourth quarter operating

Shares in General Signal after the company warned that it expected first quarter earnings to be about 7 per same period last year.

Merger activity drove the prices of several companies. Marsh & McLellan rose \$7 or 6 per cent to \$129 on news that it had agreed to acquire Johnson & Higgins, a privately held insurer, in a deal valued at about \$1.8bn.

Sylvan Learning Systems Overhanging the market shed \$3% or 11 per cent at agreed to acquire National Education for about \$18% per share. Shares in National Education lost \$1/4

TORONTO picked up where it left off on Tuesday, continued profit-taking in bank stocks. At the noon calculation, the 300 composite

Royal Bank of Canada, off C\$1.38 in the previous session, fell a further 85 cents to C\$59.80.

Seagram added 10 cents to C\$53.85 and Alcan Aluminium gained a similar amount fell \$2% or 6 per cent to \$41 to C\$51.90. SNC-Lavalin gained 60 cents to C\$18.35 following strong results.

> CARACAS continued to slide lower on worries about CANTV. the state telephone group. At midsession the IBC index was down 160.64 or 2.6 per cent at 6,048.59. CANTV has tumbled by

more than 15 per cent since

last week's shock announcement that the transport and telecommunications ministry had ruled against a quarter tariff increase for the company. Investor faith in the shares, the subject of a successful flotation late last year, has been severely been hit by labour unrest,

SAO PAULO moved lower after rising steadily for four straight sessions. The Bov-2 per cent to \$63% after index was 33.96 lower at espa index was off 117 at

with workers due to strike

per cent respectively, and Weakness in chemicals, and cent to DM127.80.

Hoechst in particular, led FRANKFURT down for the selves that Deutsche Telesecond day in succession, the Dax index closing 48.55 lower at an Ibis-indicated 3.353.90.

on Tuesday after a fourth DM35.39. quarter loss and a lower than expected dividend, investors took profits after dropped another 8.1 per cent after a conference call with record highs. Volume was analysts, during which its modest with dealers citing chief executive, Mr Jürgen Dormann, said that it was no longer planning a separate listing for its pharmacenticals unit, Hoechst Marion Russell.

Given that HMR's operating profit zoomed up by 217 per cent last year, and that an HMR spin off was predirestructuring phantasie, analysts were not amused. The shares closed DM6.06 lower at DM69.14; Ms Katharina Ühlenbrock at Deutsche Morgan Grenfell downgraded the stock from overweight to neutral and saw further share price weakness in prospect.

Turnover, ominously, hit a record high for a normal F1 191. day's trading, climbing from DM17.4bn to DM20.2bn with Hoechst trading in DM3.8bn against DM892m on Thursday. Bayer and BASF the link with P & O, a higher dropped another 3.1 and 2.1 dollar and lower fuel costs

Daimler by DM3.60 or 2.7 per

Dealers consoled themkom, at least, was still recovering from its post-flotation lethargy; the shares rose another 56 pfg or 1.6 per cent Hoechst, down 5 per cent to a new closing high of

> AMSTERDAM fell back as six straight sessions of no real weight of selling. The AEX index ended off 14.79 at

Heineken took the heaviest knock, sliding Fl 20.80 or 6.2 per cent to F1317.2 after Grolsch turned in disappointing results. Heineken reports tomorrow and the weak dividend and downbeat statement from Grolsch, a rival brewer, clearly unsettled sentiment.

PolyGram, the music offshoot of Philips, fell FI 5.70 or 5.8 per cent to F191.90 while chemicals stocks wavered badly in sympathy with the fierce German selling that hit Hoechst. Akzo Nobel lost Fl 11.10 to F1276.70 and DSM F17.30 to

NedDoyd stood out against the downtrend, jumping FI 1.20 to FI 60 ahead of next week's results. Progress on

Fuji Heavy Industries was

the volume leader, gaining

Y14 or 2.3 per cent to Y614 in

It was followed by Nomura

Securities, which shed

ents continued to desert the

brokerage and press reports

THE EUROPEAN SERIES 10.30 11.00 12.00 13.00 14.00 16.00 Closs FTSE Europrack 100 2215.89 2214.27 2214.66 2214.49 2213.67 2210.32 2206.05 2204.07 FTSE Europrack 200 2242.07 2238.10 2237.19 2238.27 2237.59 2235.04 2231.39 2230.25

Mar 7 Mar 6 Mer 5 Mar 10 2231.93 2257.03 2218.55 2243.24 2232.47 2233.60 NEW TOO - 2216.00 2011 - 2244.00 LONGSER, 100 - 2204.00 200 - 2220.34 † Parisi.

unbeat statement. PARIS closed just above the day's low with the CAC 40 off 44.45 at 2,641.70. Rhône Poulenc showed the sharpest individual decline but banks closing SFr7 lower at supplied the wobbliest sector

have sparked talk of an

performance. BNP fell FFr14.80 to FFr243. Suez FFr12.40 to FFr284.40 and Société Générale FFr24 to FFr674 on a combination of profit-taking and fading merger speculation. Rhône Poulenc, off FFr10.50 at FFr190.50, suffered from the chemicals

fall-out in Germany. Renault added FFr2.20 at ffr135.20 on bargainhunting and after France's industry minister appeared to throw his weight behind the motor giant's decision to close its Belgian plant.

ZURICH saw the best of the day's activity in banks as SBC picked up SF17 to SFr310 after it released 1996 results that were largely in line with expectations. The upbeat mood spilled

over into the recently sought CS Group, which jumped to a high of SFr176 before settling back to close SPr1.50 higher at SF1310. UBS gave up all of Tuesday's advance, SFy:1.348.

The SMI index turned back from a high of 4,716.9 to close 0.9 easier at 4,676.2 in response to a weaker dollar and the easier opening on Wall Street.

MILAN was lower, taking its lead from abroad, and after a weak showing in telecoms as investors awaited details of the share swap ratio for Stet's merger with Telecom Italia, expected after tomorrow's board meetings. The Comit index fell 15.32 to 748.12.

HP1 and Marzotto, soon to be merged, gave up some of their recent gains. HPI fell L10 to L245 while Marzotto lost L404 to L14,365.

Burgo, the paper group, benefited from brokers' recommendations to add

MADRID's utilities lost La per cent, banks 1.3 per cent and the communications secu tor 1.2 per cent as the gen eral index alid 5.12 to 420 08 But the pre-privatisation ing an 18-24 month price in 3000 are get of Pta6.950 for the oils Repsol fell only Ptato to

COPENHAGEN Treacter ATT disk sliding DKr15 to DKr68
in spite of a solid 1996 perior mance and good prospects and Sophus Berandsen shed ding DKr39 at DKr638 on dis appointing figures from it 36 per cent owned UK associ ate, Rentokil. The KFK inde

fell 1.69 to 159.78. ATHENS remained volatile and a 3.4 per cent tumble, a construction and bank shares remained under pres sure, extended the market' losses over three sessions to index lost 44.59 to 1.257.00 .**

ISTANBUL extended earl lower as investors adopted. cautious stance ahead o today's cabinet meetin which was expected to di contentious issue of risin Islamist activism. The IMKI National-100 index lost 34 t= 1.437.

Budget statement lifts Jo'burg

Shares in Johannesburg higher at 7,168.1 at the close. all for the long-term put on 6.1 to 1,447.5.

closed higher after a quietly budget's broad approach, mixed session dominated by notably the checks on govthe budget statement. The ernment spending and easier

The industrial index eased 16.1 to 8,368.6 but golds, aided but another steady sesall-share index was 6.1 exchange controls. "This is sion for the bullion price,

Emerging markets: IFC weekly investable price indices

| | | | Dollar term | 15 | ما | cal currency | terms |
|------------------------------------|--------|----------|--------------|------------|------------|---------------|------------|
| | No. of | March 07 | % Change | % Change | March 07 | % Change | % Change |
| Murket | stocks | 1996 | over week | on Dec '96 | 1996 | over week | on Dec '96 |
| Latin America | (249) | 629,59 | +0.8 | +17.0 | | | · · · |
| Argentina | (30) | 1,049.90 | +1.5 | +10.5 | 643,870.01 | +1.5 | +10.4 |
| Brazil | (68) | 501.04 | +3.0 | +26.4 | 1,972.98 | +3.1 | +28.1 |
| Chile | (45) | 720.31 | +0.1 | +16.1 | 1.196.02 | +0.3 | +13.4 |
| Colombia | (14) | 771:31 | +1.9 | +21,8 | 1,439.02 | 0.3 | +27.6 |
| Mexico | (64) | .586.09 | -1.5 | +10.7 | 2,025.96 | -0.9 | +12.7 |
| Penir | (19) | 230.01 | +2.4 | +16.9 | 368.53 | +1.4 | +18.0 |
| Venezuela* | . (9) | 703.15 | -6.2 | -3.4 | 7.728.02 | -6.6 | -3.1 |
| Asia | (711) | 266.37 | -1.0 | +17.0 | A | | |
| China' | (27) | 72.88 | -1.8 | -1.1 | 76.32 | -1.8 | -1.2 |
| South Korea ^t | (156) | 75.26 | 1.2 | -28 | 86.02 | -0.6 | +0.2 |
| Philippines | (42) | 298.60 | -1.0 | +1.7 | 379.69 | -1.1 | +1.8 |
| Talwan, China | (90) | 174.28 | +3.0 | +13.7 | 179.92 | +2.9 | ÷13.7 |
| ndia ⁷ | (79) | 97.16 | +6.7 | +23.3 | 123.69 | +6.6 | +23.4 |
| Indonesia* | (48) | 131,39 | -3.2 | +2.9 | 170.86 | -3.3 | +4.3 |
| Malavsia | (148) | 356.38 | -1.9 | +5.9 | 326.48 | -1.9 | +4.0 |
| Pakistan* | (28) | 238.41 | -5.9 | +21.8 | 435.53 | -5.9 | +21.8 |
| Sri Lanka ^m | (5) | 100.70 | +0.2 | +5.9 | 126.88 | +0.7 | +7.8 |
| Thaßand | (87) | 180,85 | -6.1 | -18.3 | 186.40 | -5.8 | -17.3 |
| Euro/Mid East | (305) | 154.89 | -25 | +15.3 | 100.70 | | -17.0 |
| C≥ech Rep | (7) | 71.23 | -5.6 | +1.5 | 69.76 | -4.6 | +9.8 |
| Egypt | (16) | 112.12 | +1.3 | 7 1.0 | 111.92 | +1.3 | |
| Greece | (54) | 307.81 | -09 | +27.0 | 562.16 | 40.9 | +38.8 |
| Hungary ⁿ | (12) | 232.97 | -3.3 | +18.4 | 498.89 | ÷1.9 · | +30.4 |
| lorden | (0) | 191.79 | -0.5 -0.5 | +2.7 | 286.22 | -0.5 | +2.6 |
| Morocco ' | (5) | 108.89 | +0.4 | TEN | 112.80 | +15 | TE.13 |
| Poland ¹² | (30) | 821,93 | -22 | +12.2 | 1.600.73 | -1.1 | +21.4 |
| Portugal | (28) | 159.14 | -0.2 | +8.9 | 188.52 | +1.3 | +20.9 |
| Tussia | (15) | 114.15 | -3.9 | 40.9 | 115.64 | -3.7 | +20.8 |
| Slovekia | (5) | 111.93 | -0.5 -0.1 | | 115.84 | +1.1 | |
| South Africa ^u | (63) | 233.30 | -0.1 -0.6 | +11.8 | 214.82 | +1.1 -1.1 | |
| Soudi Amca— Turkev ^M | (58) | 200.91 | -11.7 | | | -1.7 -10.1 | |
| iukkey∼ Zimbabwe® | | | | +35.1 | 11.811.88 | | +55.0 |
| | (5) · | 608.21 | -1.8 | +27.4 | 990.95 | -21 | +31.3 |
| Сопровіта | (1265) | 328.24 | -0.7 | +11.3 | | · | |

Mr Boris Yeltsin's cabinet clear-out is, without doubt, the main story of the week among emerging stock markets, writes

Jeffrey Brown. terial reshuffle is widely seen by brokers and analysts as a strong, bold move aimed at consolidating political and economic

"We expected something along these lines but he (Yeltsin) has gone a stage further than most predictions," says Mr Vlad Sobell, a senior economist at Daiwa

Securities. Daiwa's latest research note on Russia appeared one day before the political changes were announced; the changes harden the message that Mr Sobell puts across - that Russia, by far the largest transition economy, is set to begin its

NATIONAL AND REGIONAL MARKETS

The non-state sector now generates more than two-thirds of gross domestic product and economic policy has been tightened successfully. The tax system remains a black spot, but Mr Sobell speculates that the political changes herald early reform here.

Local observers expect the stock market to respond positively to the Yeltsin dictums. Mr James Nail, head of research in Moscow for Deutsche Morgan Grenfell, feels that the Moscow Times dollar index could finish this year at around 320.

It stands close to 236 currently, having rged by more than 50 per cent this year after gains of 140 per cent in 1996. Mr Nail says that squeezed local debt yields have prompted domestic instituti

to shift funds across to equities, while for-

eign interest in Russia was clearly reflected

by last November's heavily subscribed \$1bn

US Dollar index

index of all first section Nikkei 300 by 0.36 to 261.76. In London, the ISE/Nikkei

volume of 30m shares. Heavily index-weighted, 13.1m shares as the vehicle rose Won700 to Won14,000.

Chip stocks also closed higher, boosted by hopes another Y10 to Y1,400 as clithat global semiconductor prices were recovering. TOKYO slipped back in predicted criminal action by sluggish trade, wary ahead Japan's regulators in the

contracts, but a slide average triggered late buying support, writes Jonathan 84.45 to 18,183.27 after moving between 18,326-21 and

advance.

communications company. The TSE suspended trade

Y727,000. from 337m shares to an esti-

Seoul recoups 1.2% as Nikkei slides

sokaiya racketeers.

Ajinomoto, the food sea-

ISIA PACIFIC

of this Friday's special quotation settlement of futures

The 225 index dropped 18,010.28. With an eye on the 31 March book-closing, domestic investors were quick to lock in profits after Tuesday's modest 154-point

Early interest was generated by the news that Japan Telecom, a domestic long-distance telecommunications carrier, was negotiating a possible merger with International Telecom Japan, one of three international carriers, to become Japan's second largest tele-

Volume increased slightly mated 356m. Declines led advances by 621 to 418 with

322.77 298.75 248.26 285.80 321.99 323.89 248.65 254.89 223.97 207.30 172.27 198.32 209.61 223.97 183.36 183.36

189 unchanged. The Topix wake of the company's the close to end with the 0.32 at 720.27. Banks continadmission of dealings with composite index off 5.33 or

Short-covering ahead of stocks fell 2.47 at 1,366.58, today's deadline for the set- and the capital-weighted tlement of March futures contracts enabled SEOUL to rebound 1.2 per cent after 50 index gained 2.65 to three consecutive days of 1,418.68. falls. The composite index ended 7.95 higher at 663.90 in

large-cap shares led the mar- maker continued to extract ket's gains. Hyundai Motor mileage from the enthusiasjumped Won1,600 to tic reception for its new For-Won24,500 and Korean Air rester sports utility vehicle.

in Japan Telecom for the day, but other telecoms issues suffered from the prospect of a stronger competitor. NTT dropped Y18,000 to Y820,000, KDD Y160 to Y6,940 and DDI Y13,000 to

soning to pharmaceuticals group, which was also forced demand for Indofood which to admit to dealing with added Rp175 to Rp5,775 in sokaiya on Tuesday, 4.2m shares traded. bounced back on the view

that it was already oversold. It ended Y25 higher at Y965, in featureless trading. The after a low of Y925. Active buying of blue chip exporters such as Sony and Toyota helped provided the late bounce, but a recent market-leader. Honda.

JAKARTA rallied towards end with the SET index up

dropped Y80 to Y3,680 on profit-taking. In Osaka, the OSE average retreated by 75.59 to 19,048.58 in volume of 140.9m shares.

ume was modest at 180m shares. There was good SYDNEY closed lower on declines in BHP and banks

All Ordinaries index ended off 13.9 at 2.454.4. Retailers suffered a sell-off following steeply lower six months' results from David Jones. Coles Myer fell 13 cents to A\$5.91 and David

Jones 3 cents to A\$1.71. BANGKOK, up more than 6 per cent in three sessions, traded relatively quietly to

ued to recover on hopes it 0.8 per cent at 682.61. Vol- state support for the hard HONG KONG dropped

per cent as investors too profits in the propert shares on concerns abor . the outlook for the secto The Hang Seng inde tumbled 133.07 to 13,119.13 i turnover that eased i HK\$11.9bn.

Red chips, however, cor tinued to find demand. Sher zhen Expressway soared to morning high of HK\$3.375.a the issue made its debut, but were subsequently settled back t close at HK\$2.775, still at sharp premium to the initia public offering price c

MINORCO

"Following the recent expansion in our operations and the considerable efforts that have been made to improve the competitiveness of our mining businesses, our main focus for growth remains the successful development of our major mining projects."

Julian Ogilvie Thompson, Chairman.

Year in brief

- Net earnings before exceptional items increased by 9% to US\$396 million
- · Production increases of gold, copper and newsprint mitigate general price weakness of industrial commodities
- Plans implemented to reduce cost base of Canadian base metals and Brazilian gold operations
- Further rationalisation of investment portfolio strengthens balance sheet
- Construction of the Collabausi copper project in Chile commenced
- Through Mondi Minorco Paper, Minorco now holds 60% of the paper and packaging interests which were enlarged by the acquisition of a strategic stake in Brazilian pulpproducer, Aracruz

| m | Year | to Decembe | r 31 |
|--|-------|------------|--------|
| Preliminary Results | 1996 | | 1995 |
| US\$ millions | | · | |
| Sales | 5.014 | • | 4.247 |
| Operating earnings | 605 | • | 599 |
| Earnings before exceptional items, taxation and minority interests | 644 | . • | 665 |
| Net earnings | 336 | | 365 |
| Net earnings before exceptional items | 396 | | |
| | 370 | | 365 |
| Net eash provided by operating activities | 538 | | 401 |
| Capital expenditure | | • | 491 |
| Acquisitions and investments | 674 | | 814 |
| | 85 | | . 768 |
| US\$ per share: | | | |
| Net carnings . | | | |
| | 1.50 | | 1.63 |
| Net earnings before exceptional items | 1.77 | | - 1.63 |
| Dividends declared | 0.63* | | 0.63 |
| Recommended by directors and subject to shareholders' approval | -1. | | |

The proposed final dividend for the year to December 31, 1996 of 42 US cents is, subject to sh May 16, 1997 to shareholders of record on April 3, 1997. The 1996 annual report will be availed to shareholders on or about April 3, 1997. Copies may be obtained from the UK Transfer Agent: The Royal Bank of Scotland plc, Canton House, Redeliffe Way, Bristol BS99 7NH, U.K.

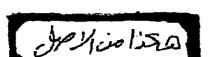
Minorco Société Anonyme Luxembourg, March 12, 1997

FT/S&P ACTUARIES WORLD INDICES

| | | | | | | | | | | | | | | | |
|----------------------------|------|---------|---------|---------|-----------------|------|------|---------|---------|--------|--------|----------|----------------|--------|-------------|
| Australia (76) | 0.9 | | 173.90 | | 189.47 | 0.3 | 4.01 | 223.81 | 207,15 | 172.14 | 196.18 | 188.92 | 225.77 | 188.44 | 192.90 |
| Austria (24) 187.73 | 0.8 | 173.40 | 144.60 | 166,46 | 166.39 | 0.9 | 1.75 | 186.28 | 172.42 | | 164.95 | | 195.04 | | |
| Belglum (26)241.54 | 0.6 | 223.10 | | | 209.61 | 8.0 | 3.26 | 240.05 | 222.18 | | 212.55 | | 241.54 | | 210.35 |
| Brazii (28) | 0.9 | 228.36 | 190.43 | 219,21 | 479 <i>.</i> 43 | 1.0 | 1.18 | 245.07 | 226.83 | | 217.00 | | 247.23 | | |
| Canada (114)202.89 | -0.2 | 187.40 | | 179,90 | 200.73 | -0.5 | 1.84 | 203.31 | 188.17 | 156.37 | 180.02 | | 203.31 | 154.12 | |
| Denmark (32) | 1.7 | 348.20 | 290.37 | 334,26 | 333.45 | 1.8 | 1.33 | 370.75 | 343.16 | 265.16 | 328.29 | 327.53 | 37B.98 | 291.30 | |
| Finland (28)268.58 | 1.0 | 248.07 | 206.87 | 239,14 | 287.02 | 1.2 | 1.92 | 266.02 | 246.22 | 204.61 | 235.56 | 283.70 | 268.58 | 174,47 | 180.BB |
| France (91) | -0.8 | 206.88 | 172.53 | 198,60 | 202.02 | -0.7 | 2.55 | 225.82 | 209.01 | 173.69 | | 203.48 | 225.82 | | 184.48 |
| Germany (59) | 0.6 | 189.65 | 158.15 | 182.06 | 182.08 | 8.0 | 1.42 | 204.07 | 188.88 | 156.96 | | 180.69 | 205.33 | | 167.23 |
| Hong Kong (59)482.29 | -0.2 | 445.46 | 371.49 | 427.63 | 479.44 | -0.2 | 3.21 | 483.40 | 447.42 | 371.81 | | | 514.49 | | 406.49 |
| Indonesia (27) | -0.2 | 222.83 | 185.83 | 213.91 | 354.46 | -0.2 | 1.50 | 241.67 | 223.68 | 185.88 | | 365.22 | | | |
| tretand (16) | 1,2 | 311.02 | 259.37 | 298.57 | 304.09 | 1.0 | 3.09 | 332.83 | 308.06 | 256.00 | 294.71 | 301.13 | 343.35 | 255.16 | 258.08 |
| (taly (59)86.50 | -0.9 | 79.89 | 66.62 | 76.69 | 109.66 | -0.7 | 2.03 | 87.30 | 80.81 | 87.15 | | 110.40 | 98.32 | 70.61 | 73.78 |
| Japan (480)114,70 | 0.6 | 105.94 | 88,35 | 101,70 | 88.35 | 8.0 | 0.89 | 114.01 | 105.52 | 87.89 | | 87.69 | 164.66 | 109.16 | 145.87 |
| Malaysia (107)643.44 | 1.2 | 594.32 | 495,62 | 570.52 | 612.96 | 1,1 | 1.05 | B35.54 | 588.24 | | 562.76 | 606.54 | 680.85 | 512.47 | |
| Mexico (27) | -1.6 | 1244.54 | 1037.86 | 1194,71 | 11764.19 | -1.3 | 1.11 | 1389.69 | 1267.75 | | | 11913.74 | | | |
| Netherland (19)357.18 | 0.3 | 329.91 | 275,12 | 316.70 | 312,99 | 0.5 | 2.44 | 355.98 | 329.49 | | 315.21 | 311.51 | 357.18 | | |
| New Zeeland (14)87.56 | -0.1 | 80.87 | 67.44 | 77.64 | 66.12 | -0.2 | 4.31 | 87.68 | 81,15 | 67.44 | | 68.26 | 95.60 | 75.84 | 79.71 |
| Norway (41)313.41 | 0.6 | 289.48 | 241.41 | 277.89 | 289.94 | 0.5 | 2.11 | 311.47 | 288.29 | 239.57 | 275.79 | 288.64 | 321.23 | 235.81 | 235.31 |
| Philippines (22) | -0.8 | 184,98 | 154,26 | 177.57 | 262.71 | -0.8 | 0.88 | 201.79 | 186.78 | 155.21 | | 284.79 | · | | |
| Singapore (43) | 0.4 | 387.18 | 322.88 | 371.68 | 276.68 | 0.4 | 1.00 | 417.58 | 388.51 | 321.19 | | 275.66 | 449.15 | 371.28 | 416.91 |
| South Africa (44) | 1.2 | 337.77 | 281.68 | 324.24 | 354.12 | 1.2 | 2.37 | 361.24 | 334.35 | 277.85 | | 350.01 | 380.34 | 301.49 | 375.42 |
| Spain (35) | -0.5 | 201.00 | 167,62 | 192.95 | 238.63 | -0.3 | 2.68 | 218.66 | 202.38 | 188.18 | | 239.30 | 228.16 | 164.81 | 165.18 |
| Sweden (49) | -0.8 | 410.90 | 342.68 | 394.45 | 502.79 | -0.5 | 2.07 | 448.64 | 415.25 | 345.07 | 397.25 | 505.12 | 448.64 | 325.59 | 325.59 |
| Switzerland (35)256.29 | -0.2 | 236.72 | 197,41 | 227.24 | 234.32 | -0.1 | 1.28 | 256.88 | 237.76 | 197.58 | 227.45 | 234.47 | 258.88 | 229.36 | 238.86 |
| Thekend (45),81.34 | 4.5 | 75.13 | 62,65 | 72.12 | 81.92 | 4.6 | 3.96 | 77.82 | 72.02 | 50.85 | 8B.90 | 78.33 | 187.79 | 73.98 | 173.23 |
| United Kingdom (212)285.30 | 0.3 | 263.51 | 219.75 | 252.96 | 263.51 | 0.1 | 3.71 | 284.39 | 263.23 | 218.74 | 251.82 | 263.23 | 285.30 | 224.39 | 226.74 |
| USA (854) | -0.2 | 304.47 | 253,91 | 292.28 | 329.84 | -0.2 | 1.82 | 530.48 | 305.87 | 254.18 | | 330.46 | 331.54 | 254.79 | 261.49 |
| 4 | | | 200 07 | | | | | | | | | | WIL | | |
| Americas (823) | -0.2 | 278.84 | 232.53 | 267.66 | 254.06 | -0.3 | 1.81 | 302.64 | 280.11 | 232.77 | 267,97 | | 30 3.45 | 233.09 | 238.37 |
| Europe (726)248.97 | 0.1 | 229.98 | 191.77 | 220.75 | 231,90 | 0.1 | 2.63 | 248.79 | 230.27 | 191.38 | | | 248.97 | 201,66 | 201.74 |
| Nordic (150) | 0.0 | 356.24 | 297.06 | 341,96 | 375.66 | 0.2 | 1.64 | 385.85 | 357.13 | | 341.66 | 374.86 | 385,85 | 282.52 | 282.52 |
| Pacific Basin (873) | 0.6 | 125.70 | 104.82 | 120.66 | 103.88 | 0.6 | 1.39 | 135.32 | 125.25 | 104.08 | 119.82 | 103.22 | 177.01 | 131.50 | 168.47 |
| Euro-Pacific (1599)183.13 | 0.3 | 169.14 | 141.05 | 162.37 | 152.16 | 0.3 | 2.10 | 182.61 | 169.01 | 140.45 | 161.69 | 151.68 | 191.51 | 176.40 | 176.40 |
| North America (768)321.97 | -0.2 | 297.39 | 248.00 | 285.48 | 321.15 | -0.3 | 1.82 | 322.77 | 298.75 | 248.26 | 285.60 | 321.99 | 323,89 | 248,65 | 254,89 |
| Europe Ex. UK (514)223.82 | -0.1 | 206.73 | 172,40 | 198,46 | 209.80 | 0.1 | 2.02 | 223.97 | 207.30 | 172.27 | 198.32 | 209.81 | 223.97 | 183.36 | 183.36 |

206.73 172,40 198,46 209,80 269,93 241,79 278,33 270,76 172,82 144,12 165,90 158,51 2.74 2.07 1.76 312.46 289.20 240.33 278.67 270.04 320.85 288.97 188.60 172.71 143.53 165.23 158.04 193.47 177.71 188.60 172.71 143.53 165.23 227.56 210.83 175.03 201.50 210.17 175.27 270.16 225.29 202.04 228.59 199.58 -0.1 292.72 270.94 0.0 214.73 178.07 206.13 207.67 0.0 1.95 222.43 215.13 178.77 205.81 207.60 233.38 202.32 203.66

هجذا من الإصل



THE REAL PROPERTY OF THE PARTY OF THE PARTY



NYSE PRICES NASDAQ NATIONAL MARKET 0 8 585 43 642 4图 法 Oglobay N x 1.40 9 x0 41 2, 41 2, 41 2, OnloCa 1.58 14 950 41 2, 40 3, 41 1, + 1, Old Kent x 1.36 15 608 a52 2, 51 2, 51 2, 31 47 14년 13월 13월 687 1월 1월 1월 | Def Kest x | 136 | 15 | 608 os2 | 4 | 51 | 2 | 51 | 2 | 51 | 2 |
| Coto NemB x | 0.92 | 16 | 83 | 37 | 2 | 37 | 4 | 37 | 4 | 4 |
| Cotoscorp | 1.36 | 13 | 427 | 47 | 46 | 5 | 46 | 5 |
| Cotos | 1.36 | 13 | 427 | 47 | 46 | 5 | 46 | 5 |
| Cotos | 288037 | 35 | 3 | 3 | 2 | 1 | 1 |
| Cotos | 288037 | 35 | 37 | 3 | 2 | 1 | 1 |
| Cotos | 288037 | 35 | 37 | 16 | 1 | 16 | 1 |
| Cotos | 12 | 563 | 19 | 2 | 19 | 10 | 1 |
| Cotos | 12 | 563 | 19 | 2 | 2 | 1 | 1 | 1 |
| Cotos | 2 | 2 | 2 | 1 | 1 | 1 |
| Cotos | 3 | 3 | 3 | 3 | 2 | 2 | 1 | 1 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 |
| Cotos | 3 | 3 | 3 |
| Cotos 20 835±26¹g 24¹2 24¹2 -1 8.60 12 2215 18¹2 17²g 18 -1¹g 64 746 30 29 28% -18 Contraction 20 21 238 16¹/₂ 15¹/₄ 16 - ¹/₄ Contraction 20 21 238 16¹/₂ 15¹/₄ 15¹/₄ 16 - ¹/₄ Contract 00 291 316 8¹/₂ 8¹/₂ 8¹/₂ 8¹/₄ - ¹/₄ Contract 1233 17²/₂ 7¹/₂ 7¹/₂ 7¹/₂ 1 123 16¹/₂ 16¹/₄ 16¹/₂ 16¹/₄ 16 Tennscend 404 5½ 4½ 5½ 4½ Trensick 1.44 10 173 50½ 50 50½ +½ Trimble 384 15½ 12% 12% -½ | Trensick | 1.44 | 10 | 17.3 | 50°2 | 50 | 30°4 | 17.5 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 1276 | 26 52523 35¹2 34¹4 34¹3 -¹4 Custop 3 707 7¹4 6¹2 6¹3 +²4 Custop 131 3¹8 2⁷8 2⁷8 1₈ Custop Custop Teeng Lab 318 4 3/4 3/5 1/2
TyeFdA x 0.10 54 2765 21% 20% 21% +% Holich Tech - ย -N/ Sin

met. Div. E 1000 tiligh. Low Chose Chang
b hings
212 16½ 16½ 16½ 16½ 1½
h. hr. 5 x0 1½ 1½ 1½ 1½
hints
23 65 6½ 65 ½ 65 ½
hir Pa 4.24 5 9 33½ 33½ 33½ 35½ -1½
hir Pa 4.24 5 9 33½ 33½ 33½ 35½ -1½
hit pai-Arak
1201 12½ 12½ 12½ 13½ 1½ 1½
hit pai-Arak
1201 2½ 12½ 12½ 13½ 1½
hit pai-Arak
1201 2½ 2½ 2½ 2½ 1½
hit pai-Arak
1201 2½ 2½ 2½ 2½ 1½
hit pai-Arak
1201 2½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½ 1½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½
hit pai-Arak
1200 7½ 6½ 6½ 6½ 6½
hit pai-Arak
1200 7½ 6½ 6½ 6½
hit pai-Arak
1200 7½ 6½ 6½ 6½
hit pai-Arak
1200 7½ 6½
hit pai-Arak
1200 7½ 6½ 6½
hit pai-Arak
1200 7½ 6½ 6½
hit pai-Arak
1200 7½ 6½ 6½
hit pai-Arak
1200 7½ 6½
hit pai-0.38 18 56 25¹2 24³5 24⁷3 + ¹2 46 16 9¹4 9¹4 - ¹4 InstrumCp x 0.16 17 6 13¹2 12¹2 12¹2 int Cons internos 594 6/2 6/2 6/4 -16 . 36 442 10³4010¹2 10⁵8 -¹8 3517 13 12³4 12³4 -¹8 Easts Ov x 0.46 40 25 131₂ 131₄ 131₄ 131₄ 14 Eath Bay 2287 71₂ 71₄ 71₄ 14 Eath En A 0.32 67 10 81₈ 81₈ 81₈ +1 Edisto Rs 47 91₈ 91₄ 91₂ Epuspe 20 15 15 15 Equated 126 861₄ 847₈ 85 -17₈ SMF Corp 228 23 5 51 4, 51 4, 51 4, | Columber JTS Corp Kinark Co JIS Corp. 2162 27 24 27 + 18 (Green's Co. 25 23 37 34 34 - 18 (Kogréq 0.20 25 861 184 177 18 -18 Fab locks : 0.70 18 9 28 28 28 Fare A : 2.80 12 31 63 4 63 4 63 4 4 4 23 50 19½ 13½ 13½ 13½ +½
15 454 7 6½ 6½ -½
5 12½ 12½ 12½ 1½
42 10½ 10½ 10½ 1½
6.08 42 4233 29½ 27½ 27½ 13
140 16 173 184 47 47½ 1½ Laderge 0.06 27 53 6/2 6/2 6²3 Lymch Cp 21 14st09²4 108²4 109 ⁻¹2 Procebik Powell PresCas Pres Life 96 2934 38 37¹8 37¹2 +³8 11 106 11 10⁵8 10³4 -³4 | Procedit | 0.58 9 189 22\frac{1}{2} 12\frac{1}{2} 14\frac{1}{2} 14\fra Johnson W 5 12¹2 12¹2 12¹2 12¹2 Jones Int 42 10¹4 10¹5 10¹6 10¹6 10¹7 10¹ 21 x0 1½ 1½ 1½ 1½ 5 1¼ 1¾ 1¼ 1½ 1½ 17 413 27½ 28% 27 1% ijiciFoodsA UkaiFoodsB US Callui 0.00 12 212 16% 17½ 17% 11% Market Ax 0.52 12 247 32% 32% 32% 22% 2660 50½ 50 50½ 5% Market 743 9% 9% 9½ 1½ 1% Market 743 9% 9% 9½ 1½ 1% Market 20 7% 7% 7% 7% Jeno Lig z 0.32 14 758 15% 15½ 15½ 15% Jestin 0.18 12 145 11% 11% 11% Vaccous 121 943 36³2 36 36³4 Vaccous 122 6529 36⁷6 36³2 36³4 WSRET x 1.12 19 x0 12⁷6 12⁷6 12⁷6 14 44 237₆ 23¹2 23¹2 -¹8 50 18 18 18 2091275 034, 574, 584, -1 23 337, 337, 337, 337, 222902 40 361, 331, 241, 15 1558 251, 251, 257, 1, 505 2721 671, 653, 653, -3, Westure Bric 1.04 17 288 71 69 6976 WaterStA 19 1942 37 3576 3576 Wat Sanit 20 1069 2274, 22 22 WiterSta 1.28 18 x0 6372 6372 6372 Coalcomm Coal Food - K -Ouantum Duicksilv Onintiles 4 154 713 713 734 - Xytmatx 74 14 14 14 1548 % % 12 +1 Nad alber K Swiss 0.08163 5 113 113 113 113 Winescomme 160 3281 29 27¹4, 26²4 +-14 Windown L x 128 16 42 15¹4 14¹2 14¹3 Windown 2457081 25¹5 24¹5 24¹2 -²6 Crown Res Cyberged Cyntx Cynbgen 1910215 40⁵g 39⁵g 40¹g +¹q 351 13 35 35 14 7947 30¹g 29¹q 29¹q Wordinds x 0.48 22 1198 207, 2014 201, -12 - R -WEP ADR 0.10 23 26 42 41 4 41 4 A SURE SIGN Komagij Kulicke S Rainhous 14 455 18⁵g 18 18⁷g ⁻¹g Railys 611 3³g 3²g 3³g +¹g Raymonat x 0.25 13 1805 28¹g 27³g 27²g 4¹g Www.an-Ban 0.40 24 4820 181s 185s 187s +14 1293 25 244 245 4 - D -33085 194, 184, 185₈ DSC Cm 33085 19½ 18½ 18½ 15½ -1
Der Groux 0.13 20 93½ 93½ 93½
98±84x 29½ 2½ 2½ 2½ 2.77 -0.8
Desentope 75 1755 21½ 19 19½ -1½
DesphinDp 1.20 18 369942½ 42½ 42½ -1½
Det Stops 0.20 289 5½ 4¾ 5¼ 1½
Det Stops 0.21 289 5½ 4¾ 5¼ 1½
Det Stops 0.44 38 82 22½ 21½ 2½ 2½ 2½
Del Camp 253640 75½ 70½ 71½ 1½
Det Camp 253640 75½ 52½ 53¼ 1½
Det Camp 253640 75½ 52½ 53¼ 1½
Det Camp 15 32 6½ 615 18
DH Tech 10 32 18 615 18
DH Tech 10 32 18 615 18
DM Tech 10 32 18 615 18 OF THE RIGHT CHOICE -X-Y-Z-2620606 46 43/4 45/4 +1/4 RegPinCp x
Repligen
Repub Ind
Reschilled
Rescond 29 4815 17¹4 16 18²8 + 18 3185 612 612 6³8 6³8 - ³8 1873 16³4 18³9 16³2 23 427 237₈ 231₂ 231₂ 802 634 632 634 18 139 外 55 55 人 Zionelitata 1,76 18 861285 1271 2127 2 178 **EASDAQ** EASDAQ is a fully regulated independent pan European Stock Market focused on high grown companies with international aspirations. The shares of companies on the EASDAQ Stock Market can be bought and sold through EASDAQ Members. EASDAQ Members are made up of Brokers and Banks from ecross Europe. 300 8.25 8 17250 11.375 10.25 1000 26 22.75 2200 12.5 12 Acon/Cerd USBB.125
Anheort Systems USBT0.875
Dr Solomon's ADS USB24.875 +0.5
Esprü Telecoon ADS USB24.875 +0.5 US\$12.375 innogenetics Mercer intervini Po Tech US\$9 0 11.375 9 US\$6.25 -0.125 2000 8.25 4.75 For reservations contact your travel agent or call toll-free from Austria 6666 8552, Belgium 0866 13219, France 0866 906546, Germany 0136 812340, Great Britain 0800 181 737. Netherlands 06 022 73 37, Switzerland 0800 55 26 20 information about EASDAC can be found on the Web site at: HTTP://WWW.EASDAC be EASDAC offices are located in Brussels (Tet. 32-2 / 227 65 20) and in London (Tel. 44-171 / 515 3095). 0.66 13 578 237 227 227 +12 26 20 327 327 327 327 142